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FINANCIAL TIMES

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NEWS SUMMARY

GENERAL BUSINESS

Owen attacks Smith raid

Dr. David Owen, the Foreign Secretary, yesterday asked South Africa to urge Rhodesia to call off its four-day-old operation in Mozambique and sent a severely worded message to Ian Smith, the Rhodesian leader, condemning it.

In Lusaka, as he embarked on a European tour, Dr. Kenneth Kaunda, Zambian President, expressed disapproval with Dr. Owen's handling of the settlement issue.

He said he was not optimistic about the successful outcome of the latest Anglo-U.S. initiative.

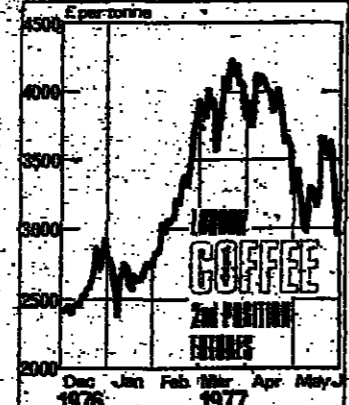
Dr. Owen was also strongly criticised in Rhodesia where Mr. Pieter van der Byl, Foreign Minister, attacked British intervention in the Mozambique aid. Back Page

Recovery in gilts; equities steady

● **GILTS** made a better showing as concern about upward pressure on interest rates eased. Short-dated stocks gained up to 1/16, while long-dated issues rose up to 1/8. The FT-Government Securities Index more than recovered the previous day's loss with a rise of 0.28 to 68.47.

● **EQUITIES** fluctuated narrowly in this trade. The FT 30-Share Index closed 0.1 higher at 448.6. Falls outnumbered rises in FT-quoted industrials by 4 to 3.

● **COFFEE** prices slipped, the September position finishing at \$116.16 a tonne, the lowest closing price since February. Page 35



Press Council launches inquiry

The Press Council announced an inquiry into newspaper stories based on documents which are private or confidential or of doubtful validity. It said the inquiry was being launched because legal proceedings had forced it to suspend its inquiry into the Daily Mail slash and allegations. Page 10

Benn campaigns against Market

Mr. Anthony Wedgwood Benn, the Energy Secretary, is to join Labour Party anti-market campaigners today at the launching of a renewed campaign against Common Market membership and direct elections to the European Parliament. Page 10

Minstrel brings home the loot

"Go on, admit it, you wouldn't have run him if I hadn't told you," beamed Lester Piggott as he turned to trainer Vincent O'Brien after the Minstrel's hard-fought victory in the Derby, writes Dominic Wilson on Page 2, Pictures, Back Page

Siege deadlock

The Dutch Government argued last night with South Moluccan extremists over who should secure a ceasefire for the release of 85 hostages in a train and four teachers in a school. At the Hague, Queen Juliana called on Mr. Joop den Uyl to form a new Government following his General Election victory a week ago.

Press strike call

Journalists at North of England Newspapers, part of the Westminster Press Group, have been called on to strike from tomorrow following the appointment some weeks ago of a non-union journalist. Page 18

Theatres reopen

The three theatres in London's National Theatre complex were open for performances last night after the return to work of 80 backstage staff who went on strike last Friday.

Jubilee bells

Church bells throughout Britain will be rung on Tuesday morning to herald the 11.30 a.m. service of thanksgiving in St. Paul's Cathedral which is to be attended by the Queen, Prince Philip and other members of the Royal Family.

Briefly...

Mr. Leo Tindemans, Belgian Premier, reached agreement last night on the division of 23 Cabinet posts between the four parties in his new coalition.

The Police Complaints Board, which started work yesterday, expects to receive 300 cases a week by August.

Four Land-Rovers are to be flown by Britain to Somalia today to help in a smallpox epidemic.

Follen bulletins for hay fever sufferers in London and the Home Counties are to begin on Wednesday.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

Treas. Incr. 1969-1974	+11	Stephen (J.)	116	+3
Treas. 1969-1974	+11	Tunnel B	176	+4
Allied Retailers	+12	Shell Transport	530	+4
Assed. P. Cement	+13	Siebens U.K.	200	+6
Chesterfield Prop.	+18	Assed. Dooms	101	+1
East Midland Alms	+21	Permacom	101	+1
Edis (Richmond)	+22	Pres. Brand	960	+28
Hammerson	+22	Pres. Steyn	600	+28
Highland Distillers	+22	West Drie	117	+1
Invergordon	+22	Western Deep	700	+45
Latham (J.)	+23			
Martin (A.)	+23			
Moolays Invs.	+23			
Reliant Motor	+23			

HOPES RISE FOR PHASE THREE PACT

Two unions say yes to pay deal

The Government's hopes of securing an agreement of some kind on pay policy with the TUC were given a substantial boost yesterday when two major trade union conferences gave qualified support to a new deal.

The General and Municipal Workers Union, the third largest TUC affiliated union with 916,000 members, voted by an unexpectedly large majority for "an orderly return to free collective bargaining" and the 105,000-strong Iron and Steel Trades Confederation, the dominant union in the steel industry, overwhelmingly backed a new phase of pay policy.

These two decisions mean there are now 2.8m. votes committed against a new deal and 2.4m. in favour for the crucial Trades Union Congress in September. The final result of the TUC vote hangs on the 625,000-strong National and Local Government Officers' Association, the fourth largest union, whose conference is later this month. Mr. Jack Jones's 1.86m.-strong Transport and General Workers' Union, and the National Union of Mineworkers, with 262,000 members, both of whose conferences are in July.

The influential National Institute's quarterly review warns that a 15 per cent increase in earnings during phase three would be "very risky indeed."

GMWU names its price

THE FULL price of trade union consent to another voluntary incomes policy was set yesterday as the General and Municipal Workers' Union, staunch supporter of the Social Contract with the Government, voted by an unexpectedly large majority for "an orderly return to free collective bargaining."

That price, now includes a retentive. Budget in the summer - or an equivalent package of extra price controls, help for the unemployed, particularly the young, and reversal of some public expenditure cuts, especially in the construction industry.

It includes a new minimum wage target for the low-paid to be set by the TUC (the pre-pay night was £20), maintenance of living standards for all against a current inflation rate of 16 per cent, extra money for repairing differentials, consulting some or all of the incomes policy pay supplements into basic rates, and incentive schemes for those who can negotiate them.

That was the list that Mr. David Bassett, general secretary of the GMWU and one of the economic negotiators with the Government, set out yesterday in persuading the 435 conference delegates meeting in Southampton not to ditch the social contract or return instantly to unfettered bargaining on August 1.

All this looks like adding up to much more than the maximum 10 per cent earnings increase in the year to August 1978 that the Chancellor is looking for - although he recognises that 10 per cent may just not be possible.

The GMWU's list picks up many of the demands, particularly on matching the cost of living, made by other unions, and it was acknowledged by those who have voted in principle for a phase three.

It will be carried into the discussions between the TUC's top five negotiators when they see the Chancellor again shortly to try to work out a policy framework by the end of July.

Thus, in spite of their formidable shopping list, the GMWU delegates' vote must be encouraging to the Government.

It was certainly a triumph for Mr. Bassett who defended his place in the corridors of power that he owes to the social contract, and who received a standing ovation for the way he pulled the many waverers round to supporting the Government.

At least three of the union's 10 regions came to the debate without a mandate and in the event, opposition was confined mainly to the free-voting Liverpool and Scottish region delegations.

The opposition speakers' fire was directed at rising prices, especially of food and fuel. Some challenged the

Investment upsurge is forecast for next year

A SHARP upsurge in industrial investment is expected next year but the short-term outlook is rather less buoyant than previously indicated. This is shown by the latest survey of investment intentions carried out by the Department of Industry.

The volume of investment by manufacturing industry in 1977 is now expected to be about 6 to 10 per cent higher than last year. This is a substantial downward revision from the 10 to 15 per cent rise indicated by the previous survey late last year.

But the survey confirmed the likelihood of a strong growth next year, which the Department estimates could show a rise of 20 per cent or more. This would mean that real investment would reach a new peak, exceeding the peak level of 1970.

The figures reflect substantial downward revision in investment expectations for the current year by some industries. These covered particularly metal manufacturing, including steel, and the paper, printing and publishing industries.

The results were published yesterday as the National Economic Development Council was examining the prospects for the economy and it was acknowledged by the Government at the meeting that the short-term growth appeared likely now to be less vigorous than previously indicated.

The immediate outlook aroused concern among union representatives there. But the new forecasts still indicate a basic upward trend in the level of investment at a time when there has been considerable uncertainty over its timing.

Official forecasts at the time of the Budget looked ahead to an increase of 17 1/2 per cent in manufacturing investment between the first half of 1977 and the first half of 1978. The latest conference of the Confederation of British Industry pointed to a 20 per cent rise in the year ending in September, 1978, compared with the previous 12 months.

To-day the National Institute of Research, despite the generally slow growth in the economy, also looks ahead to a buoyant growth of some 15 per cent during the current year and nearly 12 per cent next year.

The uncertainty has been further increased by the recently published provisional figures for the first quarter, which showed a drop of 3 per cent from the fourth quarter of 1976 against all expectations.

This fall is still regarded officially as a temporary aberration in the basically upward trend and, it is stated, has not influenced the revised forecast for the current year. The estimate of this year's increase would imply that the level in the last three quarters would average 11 per cent higher than the first quarter.

The survey does suggest, however, that there has been some postponement of investment plans from this year to next, implying some delay in the recovery.

The figures also show that the distributive and service industries, excluding shipping, expect the volume of their investment to rise by 3.5 per cent this year with a similar or slightly bigger increase next year.

Doctors seek curbs on smoking

DOCTORS HAVE called for Government action to achieve a substantial and permanent reduction in the number of cigarettes smoked in Britain.

The Royal College of Physicians sets out its "recommendations for action" in the third of a series of reports on the theme of smoking and health on which it started work in 1958.

The suggestions designed specifically to cut cigarette consumption are:

- A ban on sales of cigarettes yielding more than 15 milligrams of tar and 1 milligram of nicotine - which is a standard significantly milder than today's best-selling brands.
- A ban on all tobacco sales promotion - advertising, coupons, sponsorship - phased over a few years, starting with the higher tar/nicotine brands.
- Stiff price increases - with the emphasis on the higher tar/nicotine brands.
- More research aimed at helping smokers to break the habit.

The committee of doctors, under the chairmanship of Sir Cyril Clarke, past-president of the Royal College of Physicians, also recommends vigorous efforts by health and education authorities to "test and promote the best methods of encouraging young people not to smoke."

Other proposals for public education are that retailers should make it clear that selling cigarettes to children under 16 is illegal; a ban on vending machines to which children have access; and more explicit health warnings on packets.

Previous reports by the committee in 1962 and 1971 first brought to the public's attention the link between cigarette smoking and several diseases including lung cancer, coronary heart disease and bronchitis.

The third report estimates that in 1975 about 21,000 deaths in men and 2,700 deaths in women between the ages of 35 and 64 could be attributed to smoking cigarettes.

From the tobacco industry yesterday came signs of a fight back against the weight of recent criticism.

Gallaher said the report did not seem to add much extra scientific information. Instead, it seemed more concerned with telling people how to give up smoking than why they should.

Many of its recommendations were already the subject of industry talks with various authorities or had - as in the case of banning coupons - already been largely carried out for commercial reasons.

None of the major U.K. manufacturers thought this third report would have anything like the impact on sales made by the first two since the public was becoming inured to warnings.

Smoking or health. Published by Pitman's Medical Publishing, Tunbridge Wells, £2.

Paris talks draw to a close

PARIS, June 1. REPRESENTATIVES of the world's rich and poor countries were tonight about to wind up their 18-month-long talks - the so-called North-South dialogue - without solving most of their major differences.

The developing countries were clearly unhappy with the aid, trade and financial concessions the West has made to save the conference from total failure. But the two sides appeared to be at pains to avoid an open show of disagreement that might provoke a new crisis in relations between the West and the developing nations.

As the conference neared its end tonight, the 27 countries represented at the talks adopted a compromise agreement on plans for a Common Fund to stabilise commodity prices after West Germany had finally lifted its objections.

But the agreement did not appear to commit the West to go much further than it already has in negotiating the establishment of the Fund, which the developing countries have singled out as a key test case of the industrialised countries' willingness to change the international economic order in their favour.

The eight industrialised and 19 developing countries represented here agreed to disagree on the Third World's demands for generalised debt relief, another of the developing countries' major demands. The topic will probably now be pursued in negotiations in the United Nations Conference on Trade and Development (UNCTAD).

Negotiations were still continuing, however, on the Western countries' request for continuing consultations on energy, which the U.S. and other industrialised countries are hoping to have accepted before the talks end.

The principle of some form of consultations on energy has been accepted by the oil producing countries represented here provided it does not touch on either the price or the supply of oil. But the 27 were tonight still trying to work out the precise details, with developing countries insisting that any consultations must also deal with the transfer of Western technology to the Third World.

An agreement was also reached to patch over the differences on future volumes of Western aid to developing countries. The 19 have asked that all industrialised countries accept the United Nations 0.7 per cent of GNP target for public aid, and this was generally endorsed again tonight. But an escape clause was written in letting off countries like the U.S. that are unable to meet the target.

New Mini investment to begin

INVESTMENT in British Leyland's new Mini project is to begin immediately after the announcement by the National Enterprise Board yesterday that it had sanctioned the resumption of spending in the car group.

The NEB's decision, prompted, it says, by improvements in the company's industrial relations, will come as a welcome relief to the hard-pressed machine-tool industry.

But resumption of spending is limited to the Mini programme. The rest of Leyland's wide-ranging plans for new cars, engines and components remain frozen for the time being.

Although investment in these projects may be suspended for several months, in the case of the Mini, on which a great deal of design work has already been completed, Leyland is clearly anxious to press ahead with a programme already set in motion.

On the more distant projects the time scale is not so pressing. The NEB is therefore using the sanction of withdrawing investment in these areas to keep pressure on the unions for the promised reforms in industrial relations.

In its statement the NEB stressed that there must be further tangible evidence of improvements in performance before the company received further backing.

"The final decision on the choice of strategy for Leyland Cars, on which the NEB will be making recommendations later this year, will depend crucially on the evidence of a substantial improvement in industrial relations and productivity," it said.

Initial spending on the Mini programme, likely to run to more than £250m., will go into the new body shop being built on a site beside the present Longbridge complex.

Work will begin on the new assembly lines in Longbridge as space is released by transfer of

Paris talks draw to a close

By Reginald Dale

BY TERRY DODSWORTH AND ARTHUR SMITH

Continued on Back Page

Continued on Back Page

FEATURES

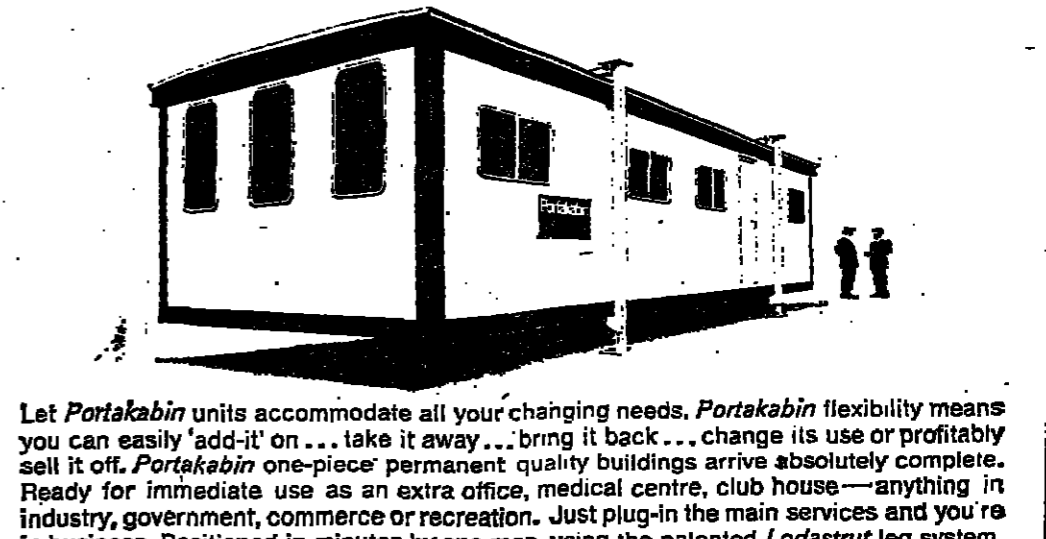
Smoking and health	20	The Austrian arms	4
Economic viewpoint	21	Atlantic pro-	5
Strikes for five	30	vinces	5
Industries	30		

ON OTHER PAGES

Appointments	27	World Trade News	7
Appointments Advs.	14-15	21 ANNUAL STATEMENTS	27
Arts	3	Bank (Nat. Bldg.)	27
Banks	3	Castles Passes	27
Business Depts.	23	Can. Fin. de Serv.	28
Company News	24-27	Cr. M. de Serv.	28
Crossword	2	L. M. Ericsson	28
Economic Indicators	35	European Farrier	28
Entertainment Guide	6	Harrods Int. Trust	28
Farming and Raw	35	Henry's	28
Foreign Exchange	34	Lafarge	28
FT-Articles Indices	34	Harvest Hists.	32
Gold	2	Sherrill Kayser	28
Home Cinema	2	George Wimpey	28
Home News	2, 10	Peruvia	28
Int. Company News	28-29	INTERIM STATEMENT	28
Jobs Column	14	Ryan & Robbins	28
Labour News	14	Share Listing Rates	27
		Wall St. & Overseas	34
		Weather	18

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LOMBARD

Amazing fall in national debt

BY ANTHONY HARRIS

A FEW weeks ago I suggested, not altogether heartily, that the national debt might be too small rather than too large—a notion which gravely offended some of my readers. All I was trying to do was underline that the persistent swindling of investors through inflation might go a long way to explain why the private savings ratio is now so high, and why apparently large sums in public sector borrowing still leave the economy depressed—a problem in many countries as well as in the United Kingdom.

It turns out that the idea was more true than a more literal way. The new issue of Economic Trends out to-day contains the longest run I have seen of figures for the national debt in real terms—or rather, as a proportion of the national income—which have yet been published, and they make pretty convincing reading. It turns out that the shrinkage of the national debt which has been such a marked feature of the inflation of the last few years has a much longer history.

Starting

To take the most startling fact first, the level of the real national debt in this sense reached in 1975 what is very nearly its lowest point in two centuries, and it has quite recently begun to fall again after a modest rise caused by the huge unintended borrowing of 1975-1976. The total outstanding debt was then wobbling around 50 per cent of annual GNP, the only period in which was any lower than this was from 1890 to 1915.

We are not discussing small changes, either. Wars are of course the great begetters of debt (apart from the Boer War, which was remarkably cheap in these terms), and in 1915, just after the Crimea war, the national debt stood at about 1½ years' national income—some two and a half times as high as now. This burden was just about halved in the next 20 years, but from 1870 on the fall became something of a drift—a reflection not of Government finance, which was ultra-conservative during this great recession, but of falling prices and a rising value of money. The long-term law was reached in the eve of the first World War.

The war brought a quick end to this era of deflationary finance, the national debt shot up to two years' national income—four times as high as its present level. Despite the sharp post-war inflation, which devalued the debt, the burden had been reduced by only about a

Piggott proves a point with eighth Derby win

LESTER PIGGOTT beamed as he turned a somewhat embarrassed Vincent O'Brien after the Minister's hard-fought victory in yesterday's Derby.

"Go on, admit it, you wouldn't have run him if I hadn't told you to," said Piggott.

Piggott, who gained his 23rd English classic victory and a record eighth Derby success, not only swayed O'Brien into running the Northern Dancer colt but also opted for him in preference to the runner-up, Hot Grove.

The Minister was well behind in the early stages and feeling the second of the first half-mile race. He started to gain ground at the top of the hill. Unfazed and content to bide his time, Piggott allowed the Cashel-trained colt to enter the straight before launching him for the lead.

Mr. Robert Sangster's colt buckled down to his task with the utmost gameness, took the measure of the runner-up well inside the final furlong and, despite the strenuous effort of Willie Carson, the outcome never seemed in question.

The winner of three consecutive races last season, including the Grand Prix de Paris and the Prix Royal-Oak, this bay son of Vaguely Noble has made two appearances this term. He was widely disappointing fourth in seven behind Cheraw in a £9,000 event at St. Cloud in March when still backward. He put up a far better performance in London's Prix Ganay running Arctic Tern to half a length.

RACING

BY DOMINIC WIGAN

French raider, Monsigneur, plugged on to the 4th in front of the last-furlong Lordstown. He turned to today's opponents, the best of whom could be the somewhat one-paced Smuggler. Last year's winner, Quiet Flung, the mount of Piggott, may have to be content with the minor berth.

ESFOM

- 2.40—Aim
- 2.25—Silk Lady
- 3.10—Exceller
- 3.40—Andy Row
- 4.15—Nice Balance
- 4.50—Fort Royal

SALEROOM BY ANTONY THORNCROFT

Playing cards fetch £22,780

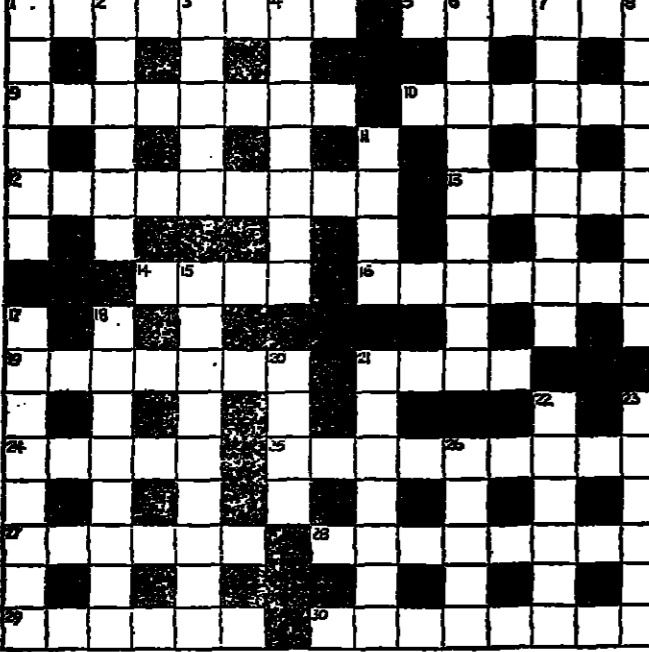
THE MOST interesting auction in London yesterday was the second of the two sales of Stanley Gibbons, where 400 lots of playing cards sold for £22,780, over £5,000 above the estimate.

The highest price was £1,500 for a 20-page 'Popish Plot' cards produced in 1678, with pictorial illustrations on the top. It had been forecast at £850.

LIV Radio

- BBC 1**
- 6.40 a.m. Open University (UHF only)
 - 8.45 For Schools (Colleges)
 - 10.40 On the Move
 - 11.00 For Schools (Colleges)
 - 11.50 Cricket: Prudential Trophy: England v. Australia
 - 12.45 p.m. News
 - 1.00 Pebble Mill
 - 1.45 Ragtime
 - 2.00 You and Me
 - 2.14 For Schools (Colleges)
 - 2.41 Cricket: Kent v. Sussex
 - 2.55 For Schools (Colleges)
 - 3.53 Regional News (except London)
 - 2.55 Play School (as BBC 2)
 - 11.00 a.m. School (as BBC 2)
 - 11.00 a.m. School
- BBC 2**
- 6.40-7.55 a.m. Open University
 - 11.00 Play School
 - 3.55 p.m. Prudential Trophy: England v. Australia

F.T. CROSSWORD PUZZLE No. 3396



- ACROSS**
- 1 Money placed before one accountant for vegetables...
 - 8 ... and shoot from one of the same class (6)
 - 9 Aria tort to pieces by club member (8)
 - 10 Cover wherein arms may be hidden (6)
 - 16 Imagine payment is about right for the unattached (6-4)
 - 17 Sleep in it? It's not suitable! (5)
 - 18 Ward off with force to the finish (4)
 - 20 Soldier with female attire takes nothing on (7)
 - 21 One who cleans up on the success field (7)
 - 22 Stop and stalk a family (4)
 - 23 Main officer commanding eastern unit (5)
 - 25 Part of the leg used by a trampist (8)
 - 26 Sit back, he's inside for an essay (6)
 - 27 Teams who confused are only partly fair (8)
 - 28 Twisted American city and died (5)
 - 29 Aura told it could be a scepter (6)
- DOWN**
- 1 Deprieved of force in flat cap (6)
 - 2 Functioning as deputy (5)
 - 3 Wander yet remain around river (6)
 - 4 ... (6)
 - 5 ... (6)
 - 6 Taste mine inside and quiver (8)
 - 7 Surgeon putting musical drama to right (8)
 - 8 Being generous dine in Her towns (6)
 - 11 He gets notice from the boss member (8)
 - 15 Without birds I have to follow it is still very dear (9)
 - 17 Mixed like type going to editor (5)
 - 18 Cleptomaniac having resistance always to the death (8)
 - 20 Free oriental journey (4)
 - 21 Pondered over the way half of us died (7)
 - 22 Helmet in that variety (3, 3)
 - 23 Impale knight's head in drain (6)
 - 26 She will shortly produce an egg container (6)
- SOLUTION TO PUZZLE No. 3395**
- ACROSS**
- 1 DEPRIVED
 - 2 ASSISTANT
 - 3 WANDERER
 - 4 ...
 - 5 ...
 - 6 TASTE
 - 7 SURGEON
 - 8 DINE
 - 9 ...
 - 10 ...
 - 11 ...
 - 12 ...
 - 13 ...
 - 14 ...
 - 15 ...
 - 16 ...
 - 17 ...
 - 18 ...
 - 19 ...
 - 20 ...
 - 21 ...
 - 22 ...
 - 23 ...
 - 24 ...
 - 25 ...
 - 26 ...

Murray's mix-up proves it's still a funny game

GOLF, despite the persistent attempts of professionals, administrators and all the business interests that surround it, remains a funny game.

Sometimes literally so, as at Ganton yesterday. The Amateur Championship, a very serious affair in a Walker Cup year, was enlivened by the simple inability of two of the competitors to count correctly.

The fact that one of the players was Gordon Murray, the Scottish amateur champion, a seed and a strong contender for the Cup team, elevated the proceedings beyond the merely comic almost to farce.

Murray, a jovial, slightly round character, who hits the ball a very long way, had been doing so with extreme accuracy against the unfortunate 15-year-old Stephen Bennett of Grimshy.

When Murray gets that combination correct, then few stand a chance against him and Bennett was soon going the way of all flesh.

Puzzled

He shook hands with Murray, agreed the score was 7 and 8 and the fact was duly and correctly reported to the R and A. A final standing behind the green.

The two players then strolled off for a drink and a chat. Bennett, meanwhile allowing his caddy to go off and, if possible, being his employer.

during the round and Bentley's five was quite good enough. "My mother could have beaten me to-day. I have never been so excited," Ridley said afterwards.

Nevertheless, he defended the match-play format. "A good player will win the tournament if match play as often as at stroke-play," he said.

"Jack Nicklaus won the U.S. Championship at match-play twice. When I was two down I should have played for pars and let him make the mistakes."

A little later in the day, Michael Kelley, who plays most of his golf at Ganton, was beaten on the last green by Graham McIntyre of Canada.

Lost form

This was a disappointing result for Kelley who has not found an iota of form this season. "I just seem to have lost it. I don't know what to do to give me a lesson," he said.

With the demise of Ridley and Kelley, five seeds are now out of the Championship. The whole of the lower half is denuded, which means that an unseeded player must appear in the final to give one a lesson.

HOME CONTRACTS

Cossor Electronics wins £6m. Army order

COSSOR ELECTRONICS has received a £6m. contract to develop and supply communications equipment for the British Army.

Sea Ninian Field. The order was placed by John Brown Engineering (Clydebank), the contractors responsible for the turbines, generators and ducting.

Police may buy German bikes

German machine as the BMW motor is the best British mechanical fixtures which constantly beat other machines and that the active mileage is double that normally expected from models previously purchased by the force.

DECCA NAVIGATOR COMPANY

DECCA NAVIGATOR COMPANY has received a Ministry of Defence contract worth more than £2m. for the supply of their new Doppler Type 850 navigation equipment.

WESTWATER

WESTWATER, a member of the Airedale Group, has been awarded a contract worth £587,996 by the Greater London Council to build a single block of public meeting rooms, changing rooms, offices, refreshment rooms, recreational areas and wardens' flat at Southmead Lakeside Complex Phase III, Thornes Road.

ULSTER

ULSTER, a member of the Airedale Group, has been awarded a contract worth £587,996 by the Greater London Council to build a single block of public meeting rooms, changing rooms, offices, refreshment rooms, recreational areas and wardens' flat at Southmead Lakeside Complex Phase III, Thornes Road.

HYGROTHERM ENGINEERING

HYGROTHERM ENGINEERING, Manchester, has received a £170,000 contract to supply five wood retail stores—a new building with recovery units for use at Lifford, Greater London, and two Chevron Petroleum (U.K.) extensions to existing premises production platforms in the North at Ayr in Scotland.

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BBC Radio London

- 6.30 a.m. Ar Radio 2
- 6.50 London Live
- 7.15 Radio 1
- 7.30 News
- 8.00 Radio 1
- 8.15 Breakfast
- 8.45 Radio 1
- 9.15 News
- 9.30 Radio 1
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Unthinkable. Yet that is one of the possibilities facing Westminster Cathedral unless it can raise enough money to maintain not only the choir but other great traditions of this church.

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Don Giovanni

by RONALD CRICHTON

eter Hall's new Don Giovanni, which opened the Glyndebourne Festival on Tuesday, is a second Mozart production. His *Figaro* of a few years ago is unsurpassed for clear exposition of plot and underlying character, expressed in producer's bright ideas in the revealing way the complex web of feelings and relationships is exposed. There is no such web in *Don Giovanni*, where various persons temporarily united with the aim of bringing down retribution on a sinner. Though success is not a first sight so entire so outstanding, Mr. Hall has again deployed intelligence, practical experience and common sense on a level rare in opera house.

atch the interplay of glances mounting mutual attraction between Giovanni and Zerlina as he first catches sight of her, handling of the second-act set from the entrance of the Count's disguised jester (this *buco loco* is dark) to the latter's beautifully timed escape. Admire the cemetery how Mr. Hall and his designer John Bury of the status right forward to the Commendatore's answers not have to be hawled and Giovanni and Leporello's dialogue can remain on an intimate level. Alas, Mr. Hall fumbles on a conditionally difficult moment, end of the ballroom scene, ere a freeze and black-out ve the audience wondering

The Entertainment Guide is on Page 6

Robert Bryan's use of the new lighting equipment. Benjamin Luxon's Giovanni (his first, though one would never think so from his admirably secure and polished singing) suits the severe approach. Mr. Luxon stands somewhere between the young already experienced rake and Giovanni presumably portrayed and the playboy running to seed represented (not always perhaps unintentionally) by dashing but mature Italian stars. Something about his reassuring English features, even at the climax when he is facing the fiery cross and red bell full of clutching devils, obstinately recalls Owen

Wingrave, reinforcing the Nordic hilltop streak detectable throughout the evening of the same thing as Southern views of sin. On the whole, the men have it. Stafford Dean is the Leporello, an excellent bass so much in demand abroad that we too rarely see him, agile and incisive, rightly distinct from Mr. Luxon's indubitable baritone, with the suspicion of onions and garlic missing elsewhere. Pierre Thau's Commendatore is mighty impressive. John Rawnsley's tubby Masetto shows why this singer won the John Christie Award. There is an assured Ottavio from Leo Cooke, the Tom of the Glyndebourne *Robt's Progress*, a kindly, tactful fustpot, more manly than ninny, with a voice now well able to deal gracefully with both Ottavio's arias.

The Anna of Joan Carden, grim-hipped and determined, but still emotionally immature, obviously needs such a guardian. Miss Carden produced some telling singing even if "Là ci darem" did not altogether live up to the promise of the first act—individual notes of rich quality were not always matched or sewn into the line. The Elvira, on the other hand, improved greatly after a tight and tremulous first act. The Mexican soprano Rosario Andrade (a British debut) is an artist of potential, but too implacably vengeful for this role—Elvira's music betrays smiles as well as weeping and pouting. The Zerlina of Elizabeth Gale is not a doll of a contadina, but a real person—when she settles down and the sweetness returns to her tone this will be a notable performance.

John Pritchard conducts the London Philharmonic. Most of the playing has the effortless crispness and easy flow we expect



John Rawnsley, Benjamin Luxon, Elizabeth Gale and Stafford Dean

from their Glyndebourne and Ottavio, was glossed over. Mozart. Some of the radiance, but mellowness will no doubt for example, in "Là ci darem" prevail. The second series of the playing has the effortless crispness and easy flow we expect

in the change of key in the performances, with Haltink contrapunct in the entrance of Anna ducting a largely different cast,

begins on July 8. The wind blew fresh, as it often does for Glyndebourne openings, but the light, with a full moon soaring, was miraculously clear.

thespian extravagance of his appeal. It is impossible for any amount of colouring to make the two quartets of lovers interesting. What is important is that their lines make some sort of sense (difficult enough with so devious and outmoded a text). This the company manages admirably: Louise Purcell never stops trying to find a way through the silliness of her part as Berowne's Rosaline while Mr. Arrindell projects, for the most part, excellent meaning and much passion. I am surprised that so few of the opportunities for masque effects are taken. When Marcade arrives to interrupt the penultimate reveals with the news of the King of France's death, he completes a tediously arranged semicircle of actors thus ruining the dramatic effect. The interval comes after the first four acts, which helps give the play a more obvious shape. And the second half begins with Richard Gooden's pedantic Nathaniel cheating his way through an interpolated game of wounding and pretence; but the park allows of little subtlety and, equally, of little true realism in the playing. So characters at every social level are projected only for their farcical worth. Jaquenetta is given a generously but not full-blooded reading by Celia Imrie; while Granville Saxton's Don Armado, the unwelcome link between court and country, is a full-blown military caricature with an accent wavering uneasily between Spain and Ireland, correctly pre-empting in the

Drums Along the Ginnel

by MICHAEL COVENEY

The Jubilee procession is diverted on its way from Palace to Westminster by a visit to Brigstead, Yorkshire. With the line in the Brigstead village, Percy, Leonard Kavanagh and Felstead (Bryan Pringle) are the representatives of a less-privileged local population. An Plater uses his fulminating rational piece to define two contrasting attitudes towards festivities: Percy, in his rather blazer and carrying a blue plastic bag, is the embodiment of unquestioning loyalty, while Felstead is progressively scornful of all the blather. At one point, Felstead explains that a ginnel is a small lane or alleyway, which (definition) is unnecessary for a Southern ear, but which Mr. Plater feels we should all have the post-office; (2) today is muffled noisily into our ears. Felstead has also invented the word "reginidic" on the local green; and for his proposed action. "No one gives a bugger about the event has a dreadful, amounting to a Southern ear, but which Mr. Plater feels we should all have the post-office; (2) today is muffled noisily into our ears. Felstead has also invented the word "reginidic" on the local green; and for his proposed action.



Bryan Pringle and Leonard Kavanagh

Bartok Quartet

by ARTHUR JACOBS

Superlative chamber music as produced on Tuesday by a string quartet from Budapest. An American pianist living in London—not the most likely of musical combinations. As partner of the Bartok Quartet, Craig Sheppard showed in the Piano Quintet of Schumann that he has an understanding of that medium not always given to eminent solo pianists. He knew just when to assert his instrument's tone, when to blend it with the strings; when to lead the ensemble and when to take on a supporting role. The end of the second movement (an almost sinister march) and the beginning of the third provided notable illustrations of this. If there was an even more impressive artistic communication when the string-players began the programme with Mozart's Quartet in G, K.455, and Bartok's *Quintet* for strings was only a slightly flawed quality in Schumann's work itself. Flashes of creative genius it has (the treatment of the march-theme is one; the very opening is another; but elsewhere I cannot help feeling something padded or inflated. Mozart's and Bartok's pieces, on the other hand, keep perfect proportion. The late Mozart

The English Bach

by RONALD CRICHTON

J. C. Bach Sinfonias op.18 (complete), op. 9 No. 2, and Sinfonia concertata for oboe and cello. Netherlands Chamber Orch./Zinnman. 2 records in sleeve. Philips 6780 025, £3.50. Weber Songs. Hill, Hogwood, Oiseau-Lyre DSLO 523, £3.50. Massenet, Hahn, Fauré French Romantic Songs. Hill, Constable. Saga 5419, £1.50. Tippett Boyhood's End, Songs for Achilles, Songs for Ariel, The Heart's Assurance. Langridge, Constable, Walker Oiseau-Lyre DSLO 14, £3.50. Johann Christian, the "English" Bach, remains a shadowy figure to the musical public in general, honoured as an historical figure of great importance for the development of symphony and opera yet when heard in performance often sounding blandly, amiably galant. The Philips record, by the Netherlands Chamber Orchestra conducted by David Zinnman in polished, expressive readings of seven symphonies and of a Sinfonia concertata in F for oboe and cello, gives a more positive view of a composer urbane but not slick, vivacious but not garrulous. The six Symphonies (properly Sinfonias) forming Bach's opus 18, all here together with one from op. 9, include three for double orchestra. Though the thrust and counter-thrust come through adequately, there is too much resonance for complete comfort. The single-orchestra symphonies include one or two which in the 18th century way did only as well as opera overtures, as did op. 18 No. 2 for Lelio Silva not to be confused with Mozart's opera on the same subject. These likable works reveal the debt owed to J. C. Bach by Mozart and Haydn and are welcome on their own merits. Martyn Hill, one of our most stylish young tenors, has his perfectly steady voice admirably suited to the gramophone. His two song recitals are each in their way rewarding. The more unusual is the selection of songs by Weber, given with fortissimo accompaniment by Christopher

Book Reviews are on Page 31

composer's concern for word setting, and could pin down moods precisely and swiftly. Many of these songs are slight, but they are not rapid; large doses do not pall. They sit well on the voice, whatever thick-necked tenors straining their way through the arias in *Der Freischütz* and Oberon may have made one think of Weber's vocal writing. Mr. Hill is equally successful in the lyrical songs and in folkish genre pieces like "Reigen" and "Mein Schatzel is hübsch." Warmly recommended. The Saga record of what are vaguely described as "French Romantic Songs" comprises Massenet, Hahn and Fauré. Massenet is said to have written more songs than any other French composer. With his operas enjoying a second wind, it is timely to hear as well some of the songs of this craftsman who knew what he could do and did it so far too taxing choreography can encourage sincere performances, albeit a lot of the physical poetry the piece once had seemed to have evaporated. But about the rest of the bill I could find little to enjoy. Jonathan Thorpe's *Thematic Fantasy* was an expressionistic exercise by a choreographer whom I have admired in the past, dealing in an obtusely mannered way with a dying man's imaginings, while the Schubert F minor fantasia for two pianos went into celestial way. Royston Maldoon's *Invasions* was one of those items in which the cast raise agonised hands to the heavens while rock wargames clatter hoardily on. Everyone eventually drops dead—whether from pollution, atomic radiation, or a fit of the megrims is not clear. And Jubilee Year is to be blamed for a work by Robert Warren, NBT's Artistic Director: *A Royal Offering*, set to Bliss's Colour Symphony. At its best it looked like cabaret stuff in which Queen Victoria and Queen Elizabeth I were somehow involved; at its worst, in the final movement, it had the numbing mediocrity of a bad ballet school display, with feeble dances feebly danced.

Thorndike Theatre, Leatherhead Northern Ballet Theatre

by CLEMENT CRISP

An evening in which a merely adequate account of John Cranko's *Beauty and the Beast* is the high-spot, augurs ill for a ballet company. At the Thorndike Theatre, Leatherhead, this week, Northern Ballet Theatre (Northern Dance Theatre renamed) is on view with two programmes. I saw the first on Tuesday night, and found it depressing. There is a real need for regional ballet companies; but there is an equally real need not to fritter away energies and hard-won public funds on weak dances in which inexperienced dancers flounder. NBT has had a checkered and not very happy history: after seven years existence it does not appear to me to offer the example of an ensemble, and a positive identity, that should be the fruit of so much time. Of course good dancers and good ballets are hard to come by, as standards away from the Royal Opera House prove. NBT has some pleasing artists—Jul Kan Chang and Amanda Maxwell were well worth watching on Tuesday—and a choreographer of ability in Jonathan Thorpe; yet the evening did little for the dancers or for Mr. Thorpe. One might excuse the truncated and optimistic account of Bourneville's *Konservatoriet* as an attempt to stretch the dancers, were there much evidence that its great stylistic difficulties could be can

Kimberly-Clarke sponsorship for Unicorn Theatre

Kimberly-Clarke appropriately in Silver Jubilee Year with its emphasis on young people, has pioneered a breakthrough in arts sponsorship. The Unicorn Theatre for Young People has assisted in the design and production of "Paradise in Paper," an exhibition based on Kleenex tissue products on view at Reed House, Piccadilly. In return Kimberly-Clarke has part-funded a can-buying of a van in which Unicorn's Street Theatre show, *The Lion and Unicorn Rampus*, Friday free of charge until July the autumn and winter, the van, transformed into a mobile box office, will visit schools, playgrounds, parks and other places where children meet to tell them about the plays Unicorn presents for four to 12-year-olds at its theatre in Great Newport Street, W.C.1. The Unicorn Theatre will now seek commercial sponsorship for its Autumn season; meanwhile the exhibition it has produced, "Paradise in Paper," can be seen at Reed House, 82 Piccadilly, W.1, from Monday to Friday free of charge until July 15.

Open Air Theatre, Regent's Park Love's Labour's Lost

BY MICHAEL COVENEY

The clouds cleared for the opening of the summer season in Regent's Park and everything continued as normal in this lovely setting. David Conville's production of this trivial and beguiling comedy survives from last year, as does the striking Berowne of Clive Arrindell. The Jaquenetta is a newly mown glade, more circular than I remember it, now bugged by the amphitheatrical seating and surrounded by bosky foliage and, of course, the tall, swaying trees. An ideal setting for the intellectual retreat devised by the King of Navarre for himself, the questioning Berowne and the other two courtiers. Their academic isolation is interrupted by the arrival of the Princess of France (Philippa Gall) and her three ladies. All of whom, naturally, have previous acquaintance of their opposite sulky numbers. Carefully wrought essays have been written about the impact of Costard, Dull and Jaquenetta upon the decorous games of wooing and pretence; but the park allows of little subtlety and, equally, of little true realism in the playing. So characters at every social level are projected only for their farcical worth. Jaquenetta is given a generously but not full-blooded reading by Celia Imrie; while Granville Saxton's Don Armado, the unwelcome link between court and country, is a full-blown military caricature with an accent wavering uneasily between Spain and Ireland, correctly pre-empting in the

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WED	GF008	1000		1835		2235	
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THURS	GF012	1000		1845		2146	
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	GF016	1000		1835		2215	
SAT	GF024	1935	2135		0535		0850
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EUROPEAN NEWS

Turkey in foreign exchange crisis

By Dominick J. Coyle ANKARA, June 1. FIVE DAYS before a crucial general election here, there are strong but unofficial indications that Turkey has in effect run out of foreign exchange reserves.

Soviet dissident arrested in treason investigation

By DAVID SATTEN MOSCOW, June 1. MR. ANATOLY SHECHARANSKY (29), an active member of the dissident committee to monitor Soviet observance of the Helsinki accord, is being held by KGB security police in connection with charges of treason, dissident sources said today.

Foreign holdings in W. Germany increase

By Guy Hewitt FRANKFURT, June 1. FOREIGN direct investment in West Germany rose by over DM3bn. (£740m.) last year, to a total of DM65.52bn. (£11,240m.), according to figures from Commerzbank, the country's third largest commercial bank.

French wage curbs pare rises in buying power

By DAVID CURRY EVIDENCE that the French Government's wage controls are cutting sharply into the increase in purchasing power of wage earners came today with the publication of figures showing that over the first quarter of this year the rise in hourly wages was held to 3.3 per cent.

Increasing concern over enlargement of EEC

By OUR OWN CORRESPONDENT PARIS, June 1. THE INCREASING differences of opinion between France and other larger members of the EEC about enlargement of the Common Market, and the shifts in the position of the smaller nations, were nationalities yesterday when the Government faced severe questioning in the Senate over its policies towards the admission of Greece, Portugal and Spain.

Brezhnev likely to be president

By OUR OWN CORRESPONDENT MOSCOW, June 1. MR. LEONID Brezhnev, the Soviet Party leader, now appears ready to assume the Soviet presidency, which would also make him head of state.

Arms and the minister

By PAUL LENDVAI IN VIENNA THE ARMS scandal that culminated this week in the resignation of the Austrian Defence Minister began at Vienna airport on December 7 last year when the Austrian Army was named as the sender.

New questions on Leopard tank affair

By PAUL BETTS THE CONTROVERSY concerning an alleged shipment last year of Leopard tanks, assembled by the Italian semi-State Oto Melara concern, to Libya has entered the Italian political arena.

Central banks holding Sw.Frs. 10bn.

By JOHN WICKS ZURICH, June 1. IN WHAT is thought to be the first ever public estimate of the volume of Swiss franc funds held by central banks outside Switzerland, an official of the Swiss National Bank said yesterday that more than Sw.Frs.10bn. (£2,830m.) was believed to be held in official currency reserves.

Ireland yawns as campaign becomes bogged down

By GILES MERRITT IN DUBLIN IRELAND'S general election disappeared off the front pages of both Dublin evening newspapers yesterday. It was an accurate reflection of the mood of the country, for the campaign is stubbornly refusing to catch fire and turn into the acrimonious political slanging match that the Irish so confidently predicted.

Painful

On Whit Monday, the eve of publication of a parliamentary sub-commission report accusing him of misinforming the Chancellor and the Parliament, General Luetgendorf resigned at the wrong time, and for the wrong reasons.

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AMERICAN NEWS

Carter bid to halt clash with Congress on budget spending

BY JUREK MARTIN WASHINGTON, June 1. PRESIDENT Carter, back in Washington after a five-day holiday break, is dining in the White House to-night with the Speaker of the House, Congressman Tip O'Neill, in a clear attempt to head off a confrontation with Congress over budgetary ceilings.

CANADA'S ATLANTIC PROVINCES

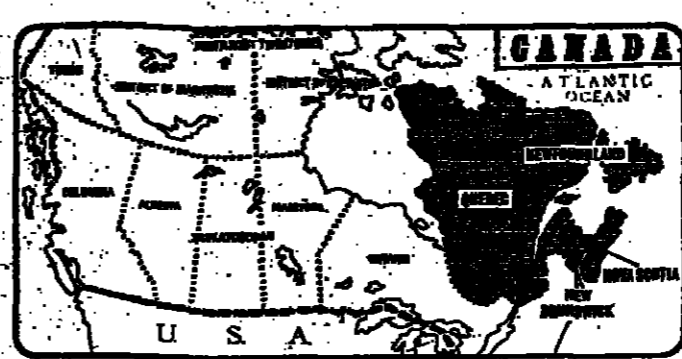
In line for the pinch if Quebec drives its wedge

BY W. L. LUETKENS, RECENTLY IN HALIFAX

CANADIAN PAPERS have a word for it: Bangladesh they say, rather unkindly, when considering the fate of the country's easternmost provinces if Quebec should break away from Canada.

would compensate for other disadvantages. Under boom conditions it might, at present the hope is belied.

leaving the balance of any royalties to Ottawa. That should lead to a revival of exploration on the Scotian shelf.



So Cape Breton has been driven back upon non-manufacturing resources to reduce its unemployment rate.

Capital spending steady

BY OUR OWN CORRESPONDENT WASHINGTON, June 1. CAPITAL SPENDING BY U.S. businesses fell in the first quarter of 1976.

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COM Soviet satellite failure

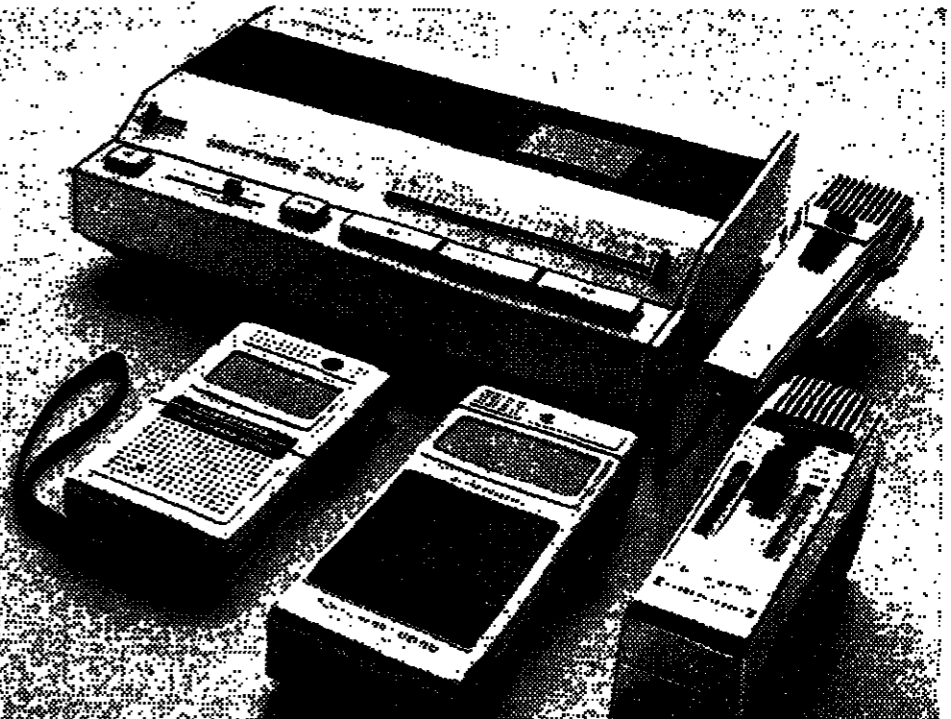
BY DAVID BELL WASHINGTON, June 1. THE U.S. DEFENCE Department last night lifted a corner of the veil of secrecy which usually surrounds its assessment of Soviet activities.

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\$6 Alaska pipeline tariff

BY STEWART FLEMING NEW YORK, June 1. ARCO Pipeline, one of the eight shareholders in the Trans-Alaska Pipeline, has filed an application for a \$6.04 tariff to be charged to oil companies sending crude from Alaska's Arctic oil fields down the 600-mile pipeline to Valdez.

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WORLD TRADE NEWS

Exports to Europe of S. African steel to be drastically cut

By Roy Hodson

A SOUTH AFRICAN attempt to penetrate British and continental markets with large quantities of steel has come to a sudden end. Diplomatic pressure upon South Africa by Britain and the EEC has led to an agreement under which South Africa will considerably reduce shipments to Europe of steel products. Neither the European nor South African authorities will disclose figures. But it is clear that the new agreement means the end of the time being at least of South African ambitions to create a new export market in Europe for steel. In the sensitive market of reinforcing bars for the construction industry, South African exports to Britain and the continent have been savagely undercutting domestic producers. Some 40,000 tonnes of South African reinforcing bars were sold in the British market last year. The previous year South Africa had not sold that commodity to Britain. South African producers have also made big inroads into the British market during the last year. In other steel products including light sections and flats, the South African government has now given private assurances, in discussions with the EEC on the tonnages of steel it will export to the Common Market until the end of March, 1978. The British Government is satisfied that exports to Britain of South African non-alloy steel light sections and flats and steel reinforcing bars will be limited to tonnages acceptable to the British industry, at least until March, 1978. The agreed reduction on reinforcing bars is thought to come close to eliminating recent South African inroads into the British market. Following the agreement between the South African government and the Commission, the British Trade Department has agreed to suspend anti-dumping investigations into imports of reinforcing bars, light sections, and flats. Also, the department is removing the provisional anti-dumping duty on South African reinforcing bars of 25 per cent, imposed last December.

U.K. tariffs on Spanish industrial goods to fall

By Robin Reeves

BRUSSELS, June 1.

A SUBSTANTIAL reduction in U.K. tariffs on Spanish industrial goods will take effect on July 1, as a result of negotiations here aimed at updating the 1970 EEC-Spain trade agreement. The talks failed to strengthen and broaden the economic content of the 1970 accord as was envisaged when the discussions first opened. It was decided instead to hold over negotiations substantive changes in the agreement until the autumn. However, to avoid legal complications, both sides have agreed to apply the provisions of the original 1970 agreement between the Six and Spain to the U.K., Ireland and Denmark from July 1, in accordance with the Accession Treaty deadline. For Britain, this will mean applying a 50 per cent reduction in the EEC common external tariff on industrial goods coming from Spain, as do the original reciprocal cut in the Community's tariff on industrial goods to go ahead with the expectation of three left-wing and two Basque militants.

Industry presses government over Japan

By John Elliott

THE BRITISH Government came under pressure yesterday from leaders of both sides of industry to find early ways of tackling threats of Japanese goods making inroads into U.K. markets, before they harm British industry. This emerged at a meeting of the National Economic Development Council when Mr. Edmund Dell, Secretary for Trade, reported on his recent visit to Japan and explained British policies to industrialists and union leaders on the coast. Sir Ronald McIntosh, director-general of the National Economic Development Office, said after the meeting that between a third and a half of the office's working parties on Government industrial strategies were concerned about immediate or anticipated imports from Japan. Most of these were in mechanical or electrical engineering, and especially concerned all sections of the vehicle industry, the diesel engine industry, and companies producing office machinery. "The view of our working parties is that we do not want the Government to wait for threats to become reality. One has to counteract the Japanese single-minded marketing policies," said Sir Ronald, adding that a list of potential danger areas ought to be prepared. In a memorandum presented to the council meeting, Mr. Dell said that there was a serious imbalance of visible trade with Japan—1976 exports totalling only £359m., compared with imports of £796m. But, he added, the U.K. had a greater visible imbalance with six other countries and a surplus on visible trade with Japan which he estimated at more than £250m. a year. "The basic problem with Japan is not so much the imbalance as the concentration of Japanese exports on a limited number of sensitive areas, and the difficulties our manufacturers, particularly of industrial goods, have in selling in Japan. This is not so much a matter of specific and identifiable tariff and non-tariff barriers, but a general reluctance of Japanese purchasers of industrial goods to source their requirements from abroad."

VENEZUELAN RAILWAY SYSTEM Consortium plan stalled

By Joseph Mann CARACAS, June 1.

PROGRESS on forming an international consortium to build the first leg of Venezuela's railway system has bogged down, and partners in the venture have not yet held substantive talks on putting together a new group which would satisfy both the Venezuelan Government and the partners themselves. A Government contract worth at least \$1bn. for the construction of a 675 km railway is at stake. The line would link Venezuela's industrial centre in Ciudad Guayana with points near the capital. Six international groups presented bids on the project, ranging from \$859m. (Canada) to \$2,880m. (West Germany). The Government declared all the bids unacceptable in April and asked two participants—the Canadians and a Spanish-Venezuelan consortium—to form a new group which would build the 675 km railway. The group which builds the first leg of the railway would have a decided advantage in future contracts under the country's master railway plan, which calls for more than 3,300 km of new lines by 1990. Sources involved in the rail negotiations said it was difficult to merge two different consortia which offered two distinct packages for building the railway. The future associates in this venture are also awaiting clarification from the Venezuelan Government on technical aspects of the railway. Original specifications were not well defined. It was obvious when the Government announced its decision to call in the Canadians and the Spanish-Venezuelan company that none of the participants were excessively pleased with the arrangement. The two groups felt they had presented the offer which the steel works, but the Government intends to use Ciudad Guayana steel to meet domestic demand. One local businessman said the Venezuelans were unrealistically trying to get the benefit of the lowest bid—made by Canada—and the advantages of technology from a Spanish-speaking country by forming a "potentially incompatible consortium." The reluctant partners have already missed one deadline for proposing a new consortium (May 14), but the Government has advanced the presentation date to the middle of this month. A basic problem for the Government is that its steel facility in Ciudad Guayana is raising production to 45m. tons a year. Existing facilities for transporting the steel to domestic markets are limited to highways. Steel could more easily be shipped to foreign ports using the Orinoco River, which banks the river. The two groups felt they had presented the offer which the steel works, but the Government intends to use Ciudad Guayana steel to meet domestic demand. This represents a sizeable order for STC, which exports 30 per cent of its sales in the transmission equipment field. STC's main export business is in the submarine cables business, where virtually all production is exported. Last year exports increased 30 per cent, to \$25m. to maintain STC as the U.K.'s leading exporter of telecommunications equipment—this being direct exports from the U.K., since STC, in contrast to its main U.K. competitors, has virtually no overseas production capacity. STC has had little success in exporting its telephone switching equipment (only 2 per cent of total sales) its production being dictated by the British Post Office's requirements. This has made the equipment unsuitable for overseas markets. But the company now has a sales force travelling abroad selling its new TXE-4 system.

STC wins £5.5m. orders from Egypt

By Margaret Hughes

STANDARD Telephone Cables has won two contracts worth £5.5m. for the supply of equipment to expand the Egyptian communications network. The project is being financed by Saudi Arabia. The contracts, which were awarded by the Arab Republic Telecommunications Organisation, are for the supply of 4MHz coaxial line systems—which have a capacity of 960 telephone circuits—with multiplex equipment, coaxial cable and associated equipment. One project will link Cairo, Suez, Ismailia and Port Said. The other will run from Alexandria to El Saloum. STC, which has been a major supplier to Egypt for many years, is also manufacturing multiplex equipment worth nearly £2m. for contracts awarded by the Egyptians last year. This represents a sizeable

Afghanistan plans for the railway age

By Kevin Rafferty in Kabul

A CENTURY after most of the rest of the world, Afghanistan is planning actively to enter the railway age at a cost of something well over \$2bn. If the plans go ahead they will mean the fulfilment of one of the last great railway building projects left in the world and also lucrative business for the construction companies chosen. However, there are a lot of questions unanswered in the statements of the Afghanistan Government. According to the Government progress is going well and the railway is listed as one of the most important ventures of the seven-year economic and social development plan which started last year. A feasibility study is being done by the French company Sofrail and is expected to be finished in a month or so. The initial network according to the plan will consist of 1,810 kilometres running from the Iranian border to Herat, then south to Kandahar, to avoid the mountain ranges, then north to Kabul, Afghanistan's capital. Another branch line will run from Kandahar to Spin Boldak where it may link with the Pakistan Railways close to Quetta. But whether the Afghan railway ever gets built will depend largely on whether rich neighbour Iran is prepared to pay for it as the cost will be more than the total annual gross national product of Afghanistan, which was \$2bn. in 1976-77. There is a good deal of scepticism among most foreign experts here as to the viability and practicality of a railway, but Mr. Ali Ahmad Khurain, Afghanistan's Minister of Industry, was unabashed by the criticism. "We have to think not only five years ahead but for ten years and 25 years. The longer we wait the more the costs go up." The Minister said that Iran would provide the money for the building of the railway, he also added that Afghanistan was not dependent on any country. Paying for the railway is just one of a series of factors surrounding the whole project. It is a curiosity of history that Afghanistan is one of a handful of countries without a railway system, largely because it had no colonial power to build one. A few years ago an Iran reprieve with oil funds offered to pay for the railway. No doubt the attractions was the prospect of luring Afghanistan away from its dependence on the Soviet Union which takes 40 per cent of Kabul's trade and is the all too obvious and powerful neighbour to the north. Afghanistan, being landlocked and having to send its goods the long route to Karachi via Peshawar, Rawalpindi, Lahore, or from Qandahar



plashing out huge sums of money on the Afghan railway. Afghanistan appears to have a plan to build a dam on one of the tributaries of the Helmand river. The project was not in contravention of the river treaty between the two countries, but Tehran was irritated at not having been told beforehand. The authorities in Kabul tend to play down these problems, but the ruffled feathers were sufficient to send President Daoud's brother to Tehran where he is reputed to have sorted out the problems but to have come back with a better awareness of the financial constraints on Tehran. The railway could well depend on the report of the French consultants. Another problem which outsiders have is in understanding the planned route for the railway. One of the main justifications put forward by Kabul is that the railway will help the swifter carriage of Afghanists from their own resources. The plan talks of 2.5m. tons of industrial, agricultural and mineral products being carried each year. But the route for the system does not go near the most important iron ore reserves at Hajigak which are still being assessed with Soviet assistance. It is true that it is only a short distance as the crow flies between the deposits and the railway line, but even crows find it difficult to make progress through the mountain barriers between the area and the main Kabul Qandahar route. Again Kabul plays down the problem by saying that it has its options open and that when the one potential has been properly calculated it might think again. Still more difficult to envisage is a time when there will be enough traffic on the railway to justify its existence. Even the developed, industrialised, heavily populated countries of Europe and the West are having to subsidise their railway systems. Afghanistan has none of their advantages. It is desperately poor, underdeveloped and sparsely populated. Thanks to American and Russian road building it has a superb road system linking all the major towns. Talking to exporters, the road and road rail system via the Soviet Union could be greatly improved, and goods take a month or more to reach London. However, even rail transport would face cross frontier problems either at Iran or Pakistan, or at many more points if the roads were to be taken by rail right across Europe. On the face of it, an Afghan rail network would be very much an investment for a longterm future in a much changed Afghanistan.

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Bosch ignition systems incorporating traditional contact breakers still give reliable service day after day in millions of cars.

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HOME NEWS

BNOC seals participation deal with BP

BY RAY DÄFTER, ENERGY CORRESPONDENT

THE "STAGE has been set for British Petroleum and the State-owned British National Oil Corporation to become closely linked in refining and marketing activities.

A wide-ranging State participation deal concluded yesterday says that BP and BNOC will seek to establish a long-term basis for downstream co-operation in the U.K.

It is the first of a series of agreements covering Government involvement in oil activities to be signed within the next few weeks. But it is clear that BNOC will be leaning particularly heavily on BP's marketing interests.

As expected, BNOC has gained access to up to 51 per cent. of all BP's crude produced from its interests in the North Sea. These include the big Forties Field, the Ninian Field and—should they be developed—the Magnus, Andrew, Buchan, Althea, Andrew, Bruce and Crawford prospects.

If BNOC buys its participation share of output, it will pay the full market value. As expected, BP has safeguarded its refining operations by retaining the right to regain much of the participation crude oil, either through swap arrangements or under buy-back agreements.

In the next 18 months, for instance, all the oil BNOC buys will be sold back to BP between 1979 and 1981. BNOC will retain only 12 to 16 per cent. of production. During the period 1982-1989 BNOC and BP will operate a fixed contract, with the Corporation retaining 16 per cent. of output in 1982 and 12.75 per cent. in the remaining years.

Mr. Anthony Wedgwood Benn, Energy Secretary, said the agreement was of "major significance" in the development of BNOC. The Corporation would have an effective voice in the running of all commercial oil fields in which BP has an interest.

The agreement, signed by Mr. Wedgwood Benn, Lord Kearton, chairman of BNOC, and Mr. David Steel, chairman of BP, is unique in the way it links the two undertakings in refining and marketing activities.

BNOC says that it has no intention of entering these downstream areas before the early 1980s. In the meantime, its staff will learn the business under training schemes operated by BP OIL, the U.K. marketing wing of British Petroleum.

Marketing Corporation staff will learn about oil refining and marketing as well as chemical manufacturing. This agreement, covering downstream relations, expires at the end of 1981.

It remains to be seen how the long-term co-operation agreement will develop. Although Mr. Wedgwood Benn and the Corporation regard this statement as a key component of the participation deal, BP is taking a relaxed view of its implications.

The company feels that it merely leaves the door open to possible co-operative agreements where those might be regarded as mutually desirable. It was insisted that it will not inhibit BP OIL from progressing its development plans over the next few years.

But it was recognised in the oil industry that the long-term co-operation clause in the agreement would lead to future joint ventures between BP and BNOC.



THE SIGNING OF THE BNOC-BP participation agreement in London yesterday. Left to right, seated, Mr. Jack Birks, chairman of BNOC, and Mr. David Steel, chairman of BP. In the background are the officials responsible for drawing up the agreement.

BP sales prospectus portrays bright outlook for operations

BY MARGARET REID

AN ENCOURAGING portrayal of trends at British Petroleum and of the outlook for its major North Sea and Alaskan operations will be contained in the prospectus for the Government's forthcoming £800m. sale of a 17 per cent. shareholding in the group.

The disposal will reduce the State interest in BP, which today reveals its first quarter profits, from 68 per cent. to 51 per cent.

The offer, the largest ever launched, of some 65m. shares, is expected to be unveiled on June 14. But the timetable for the sale is unprecedented in complexity as in size, has not yet been finalised.

Intensive discussions are continuing on important aspects of the operation. It is planned to make between 20 per cent. and 25 per cent. of the shares in question available to the United States market. The precise proportion to be offered to American investors has, however, not yet been settled.

Secret talks are still continuing between the Treasury, the Bank of England and the U.S. Securities and Exchange Commission on the complex procedure for the offer. An important problem is that, while the normal practice in the U.S. is for a public prospectus for an issue to be registered with the SEC and made publicly available 2-3 weeks before the price is fixed, U.K. practice points to fixing and underwriting of the offer price at an early stage.

There is, however, evident confidence in official quarters that this problem can be solved and the claims of U.S. and U.K. practice reconciled.

At present, and with the reservation that arrangements are not yet fixed, it appears that the first announcement expected on June 14 could reveal not only the total quantity of shares to be offered, but also the price at which the whole issue had been underwritten in sterling.

The detailed prospectus would then be published a few days later, with applications in Britain invited shortly afterwards.

While procedure for the U.S. offer is still not settled, one possibility would appear to be that while the prospectus would be simultaneously published in London and New York, the offer price of the shares to U.S. investors would not be finalised until rather later.

This would allow an interval, acceptable to the SEC, for appraisal before terms of the offer, through the separate U.S. market, eventually crystallised.

Auditing standards proposal from ICA

By Michael Lafferty, City Staff

THE accountancy profession's Auditing Practices Committee will publish eight draft auditing standards before the end of 1977. Mr. Brian Maynard, the newly-elected president of the English Institute of Chartered Accountants, said yesterday.

The absence of such minimum standards for carrying out audit work has frequently been a source of criticism of the profession. Only last week Mr. Ian Hay Davison, a senior chartered accountant, said that the profession had been dragging its feet on the matter.

Chairman Mr. Maynard succeeded Mr. Stanley Kitchen as English Institute president. He will also become chairman of the profession's Consultative Committee of Accountancy Bodies.

The new vice-president of the Institute is expected to be appointed in 1980, the Institute's centenary year. It is Mr. David Richards, a partner in Deloitte, Mr. Richards resigned as chairman of the profession's Auditing Practices Committee last year following criticism of his former firm Harmond Banner in the Department of Trade Inspectors' report on London and County Securities, the failed fringe bank.

Celebrations The other main contenders for the vice-presidency are believed to have included Mr. Richard Wilkes, the Price Waterhouse partner who succeeded Mr. Richards as chairman of the Auditing Practices Committee, Mr. Derek Boothman of Bicker Hamlyn, and Mr. Michael Lickiss of Thornton Baker.

The Institute is planning a week of extensive celebrations in London to mark its centenary in 1980.

The Institute's deputy president, who should become president next year, is Mr. Eric Sagers, chairman of Dupont, the Midlands industrial holding company.

See Men and Matters

Court battle possible over oil

BY MARTIN DICKSON

A court battle could be developing over the world's leading oil companies and Lonrho, the international trading company, over Rhodesia's access to oil supplies.

Lonrho announced on Tuesday night that it had issued writs in the U.K. claiming damages from 29 oil companies, including Shell, BP, Texaco, Mobil and Caltex, in connection with the operation of Lonrho's oil pipeline from Mozambique to Rhodesia.

Lonrho closed the pipeline when sanctions were imposed on Rhodesia, but oil has reached the country by other means.

Lonrho's writs are the latest—perhaps the most dramatic—move in a sudden flurry of action over alleged sanction-busting by international oil companies.

The Government recently ordered an inquiry under the chairmanship of Mr. Thomas Bingham, QC, into how oil is reaching Rhodesia and whether Shell and BP are involved. Dr. Kenneth Kaunda, the President of Zambia, said last week his government planned to take legal action against five international oil companies.

There has clearly been close liaison between Zambia and Lonrho, which prides itself on its friendly relations with black African leaders. Dr. Kaunda said Mr. "Tiny" Rowland, Lonrho's managing director, had provided Zambia with enough evidence to take the oil companies to court.

There are obvious advantages for both parties in an exchange of information. Lonrho, which has investigated alleged sanction-breaking in the past few months, has evidently managed to obtain information not available to Zambia.

A possible reason why the allegations made against the oil companies have not been pressed before is that much of the ammunition used by their critics has only recently come to light. Lonrho, for example, appears to have gained access to documents in Mozambique which would have been closely guarded secret until the end of Portuguese rule there in 1975.

For much of the period since UDI, Rhodesia's oil supplies were shipped from South Africa to Mozambique for transportation to Rhodesia by rail, according to a memorandum submitted by the Anti-Apartheid Movement to the Government's inquiry. Since 1974 the main route for the oil has been a new, direct rail link between South Africa and Rhodesia.

Urgent action sought to end 'degradation' of the Broads

BY JAMES McDONALD

THE Nature Conservancy Council said yesterday that the designation of Broadland (including the Norfolk Broads) as a National Park would not solve the problems facing the area.

The NCC believes that many of the serious problems of Broadland, including pollution and sewage entering the waters, could be solved by collaboration between existing organisations.

In a submission to the Country-side Commission in response to its consultation paper on the National Park proposal, the NCC calls for immediate action to reverse environmental 'degradation'.

It urges that the interest generated by the Commission's paper must not be allowed to wane, and proposes to expand its own research into the causes of the ecological deterioration taking place in the Norfolk Broads.

The NCC recommends that "money be found now for the Anglian Water Authority and the Great Yarmouth Port and Haven Commissioners to carry out essential environmental works, in particular special phosphate-removing equipment at selected sewage works."

It believes that public concern about the serious environmental "degradation" in Broadland is strong.

The NCC is the Government body which promotes a national policy for nature conservation. Its work falls into three main sections: the establishment, maintenance and management of National Nature Reserves; providing advice and disseminating knowledge about nature conservation; and the support and conduct of research.

Warning of anti-EEC poll alliance

By Philip Rawstone

LORD HARLECH, chairman of the National Committee for Electoral Reform, yesterday warned of the dangers of an "unholy alliance" in the Commons against direct elections to the European Parliament.

The combination of "anti-Marketisers who want to fight the referendum campaign all over again, and the blinkered first-past-the-posters who put their perception of their party interests first" could defeat the legislation, he told the committee's annual meeting in London.

"It would be a tragedy if that alliance prevailed," he added.

Lord Harlech, urging the Government to bring forward a Bill for the elections based on a system of proportional representation as soon as possible, said: "The last 12 months have seen significant advances in support for electoral reform and in the public awareness of the arguments in favour of it."

He said that the committee's campaign would try to focus the issue and give a voice to "the great mass of the British people who value fairness and good sense above the partisanship of the adversary warriors."

Maiden voyage for Belgian jettoli service

By Ian Hargreaves, Transport Correspondent

EUROPE'S first jettoli service completed its inaugural round trip between the City of London and Zeebrugge, Belgium, yesterday.

The 115-ton Flying Princess, a Boeing jettoli on charter to P & O for a year cost £5m., and made the 130-mile crossing in just under 3 1/2 hours, travelling at a maximum speed of 50 mph.

Yesterday, there were 150 paying passengers. The single fare is £33 in summer and £27 in winter. There will be one crossing daily in each direction, leaving London in the afternoon.

The jettoli is powered by gas-turbine engines which force water from the rear of the craft, lifting it above the surface. Electronically-adjustable, submarine-like fins ensure smooth riding and it can travel through 23-foot waves, although this specification, happily, was not put to the test yesterday.

Import facility HM Customs and Excise are introducing a new facility, called local import control, which will enable customs clearance of certain types of goods imported as full container loads (FCLs) to be given at importers' premises.

Immigrants given more dangerous jobs—survey

FINANCIAL TIMES REPORTER

A SURVEY into accidents to immigrant workers in industry has shown they are no more liable to accidents than non-immigrants doing similar jobs.

The research team says that black workers are over-represented in industry's more dangerous jobs, and recommends that they should have more craft training and better promotion prospects.

The team, from Aston University, Birmingham, was commissioned by the Birmingham Community Relations Council. Its report, Accidents are Colour Blind, was published yesterday.

They investigated 4,000 accidents at five West Midland firms, including a textile concern, two engineering companies and two firms working with hot metals.

The team was asked to investigate whether immigrants, because of their background, were more prone to industrial accidents than other workers.

The leader, Dr. Gloria Lee, said yesterday: "We could find no evidence to support the original idea that because somebody was an immigrant, he would be more likely to incur an accident than indigenous workers doing the same job, in the same conditions."

She said employers could be reassured that they were not risking more industrial accidents or damage to equipment by employing immigrant workers.

The researchers were concerned at concentration of immigrant workers in certain areas of work, and immigrants did not appear to be working their way up through industry's structure to "any marked extent."

"One of the things that came out right from the start was that immigrant workers are not performing the same tasks as indigenous workers," she said.

Workers in administrative grades were omitted from the research because there were so few immigrants in those grades.

The researchers recommend that industry make a determined effort to use skills of immigrant workers by not concentrating them in some areas and excluding them from others; expand opportunities for skilled craft training; provide language training; display safety notices in different languages; and improve promotion prospects for immigrants.

Green Shield's retail promotion

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

GREEN SHIELD is to launch an expensive promotional campaign next week in an attempt to maintain its trading stamp sales after Thursday when Tesco ceases to give away stamps in all its 700 stores.

All Green Shield's 6,000 grocery outlets will be running double stamp sales, partly financed by Green Shield itself to draw customers.

In some cases, the stores will be offering double stamps across the whole range of goods they sell. In others, they will be giving double stamps only on selected items.

To support these retail promotions, Green Shield will also be advertising heavily on television. The Green Shield campaign will begin on Tuesday night and on Wednesday evening its media blitz will start with a series of cut prices.

Other retailers are also likely to increase their advertising and price cutting campaigns so that next week looks like being one of the most hectic for food retailing since trading stamps were first introduced by the big groups.

All major supermarket groups will be monitoring Tesco's new prices very carefully next week. Yesterday, numerous reports were circulating about what Tesco intended doing.

One suggestion, which was generally discounted as being too expensive as that Tesco would try to link its new pricing policy with the Jubilee and offer some products at 1967 prices.

The more likely course being predicted was that Tesco, which is generally thought to have raised its prices over the last few weeks to give it more room for manoeuvre, next week would cut the prices of 150 to 200 lines by about 5 per cent. as well as now costs around £23.

An attempt by the industry last month to get the price increases introduced by the Commission because of a technicality.

The increases are the latest in a long and regular series of rises which have doubled the average price of cement since 1974. A tonne of bagged cement now costs around £23.

Cement prices go up 12% next week

By Guy Building Correspondent

CEMENT prices are to rise by just over 12 per cent. from June 9. The Cement Makers' Federation said yesterday that it had notified the Price Commission of the proposed increases and no objection had been raised.

The increases are the latest in a long and regular series of rises which have doubled the average price of cement since 1974. A tonne of bagged cement now costs around £23.

Dell warns on patent licence change

BY A. H. HERMANN, LEGAL CORRESPONDENT

A WARNING that the restrictions which developing countries and the EEC seek to place on patent licensing might go too far and imperil the flow of advanced technology to developing countries as well as inhibiting technology transfers between members of the Community was made by Mr. Edmund Dell, Secretary for Trade in London yesterday.

Mr. Dell was opening an international conference convened by the Licensing Executives Society (L.E.S.) attended by about 200 delegates.

Mr. Dell said over one-fifth of the total British bilateral aid programme of £350m. in 1975 went to the industrial sector. The transfer of appropriate technology could play an important part in enabling developing countries to establish small-scale enterprises.

There was a need to work out an equitable code of conduct, Mr. Dell continued, but the conditions must not be so restrictive as to make the potential licensor reluctant to part with his knowledge.

Turning to the EEC proposal for regulating patent licensing, Mr. Dell said it would be absurd if attempts to promote competition led to the inhibition of technology transfers between Community members.

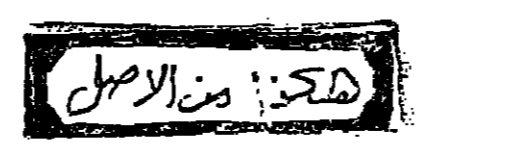
Turning to the EEC proposal for regulating patent licensing, Mr. Dell said it would be absurd if attempts to promote competition led to the inhibition of technology transfers between Community members.

Mr. Dell said the European Court has not yet ruled on some of the crucial issues of patent licensing which has left industry in a state of considerable uncertainty.

In an attempt to free industry from the need to notify certain types of licensing agreements, the EEC proposed a block exemption regulation but this has attracted criticism.

This year is likely to bring a fundamental change in the field of patents. In the U.K. the new Patent Act is expected to reach the statute book and the European Patent Convention and World Patent Cooperation Treaty are likely to become operative after the completion of the prescribed number of ratifications, according to Mr. Edward Armitage, Comptroller General of the Patent Office who also addressed the conference.

Elson & Robbins advertisement with financial report table and company information.



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HOME NEWS

Wall's plans £2.5m. factory

By Our Consumer Affairs Correspondent
WALL'S MEAT, the Unilever subsidiary which has made heavy losses for several years, is to build a new factory in the Midlands at a cost of £2.5m.

The new factory will replace the existing Richmond works at Evesham. It will manufacture poultry products, including meat pies, and will have production capacity of 11,000 tons a year.

Unilever has been losing money on its Wall's meat business for some time. In its last annual report, the company said the losses were still serious.

Unilever has been losing money on its Wall's meat business for some time. In its last annual report, the company said the losses were still serious.

Job threat to young doctors warns NUS

By Michael Dixon. UNEMPLOYMENT among newly qualified doctors will rise to 500 by 1984 unless the Department of Health creates more pre-registration posts.

It costs £40,000 to train a doctor, said Mr. Tony Burch, convenor of the union's health group, in London yesterday.

Shipping policy adviser

Mr. E. Y. Barnard, an assistant secretary in the shipping policy division of the Department of Trade, will join the General Council of British Shipping on July 4 as its foreign relations adviser.

Press Council opens new enquiry

THE PRESS COUNCIL is to hold an inquiry into newspaper stories based on documents which are private, confidential or of doubtful validity.

Shipping policy adviser

Mr. E. Y. Barnard, an assistant secretary in the shipping policy division of the Department of Trade, will join the General Council of British Shipping on July 4 as its foreign relations adviser.

Study sought on plan for Severn Barrage

By RAY DAFFER, ENERGY CORRESPONDENT

PRESSURE is mounting for the Government to set up a full-scale feasibility study into the construction of a £2bn. to £3bn. Severn Barrage.

This is likely to be one of the main recommendations of the Commons Select Committee on Science and Technology which is reviewing possible energy resources.

The committee is expected to publish its main report next month, but it is likely to be submitted before it presents a separate report on the potential for turning the River Severn's tidal power into hydro-electricity.

Mr. Arthur Palmer, chairman of the committee, and of the Energy Resources sub-committee, told a Severn Barrage forum at the Royal Society of Arts yesterday that the fact that the scheme deserved a special report was indicative of the importance attached to tidal power.

Whatever energy we can develop successfully and economically outside the nuclear field we should do, he said.

The forum, organised by the Severn Barrage Group—a group of businessmen and scientists—heard that Severn tidal power could provide between 2 per cent. and a quarter of Britain's electrical requirements, depending on where the barrage was constructed.

A barrage with a capacity of 4,000 MW (the middle range of the possibilities) could, over 30 years, provide as much energy as the two biggest oil fields in the North Sea. Over 100 years the barrage would account for as much energy as the whole of the U.K. sector of the North Sea.

However, the Central Electricity Generating Board is sceptical. It feels that of the alternative energies, wave power provides greater opportunities. Its own studies have shown that the cost of producing electricity by means of a barrage could be twice as expensive as nuclear power.

The board has told the Government that while it would not take a lead in a national study on the barrage, it would assist in the project. It concedes that the extra cost of producing electricity could be offset by other benefits that might arise.

These include the development of deep-water shipping facilities for South Wales ports and the Port of Bristol; a possible new road link between the M3 in North Somerset and the M4 in South Wales; and the growth of the waterborne tourist industry.

A barrage across the mouth of the Severn Estuary could create a sheltered water area as big as the Solent and Southampton Water put together.

Delegates at the forum also heard that the barrage could spawn a new regional development plan. Both the Cardiff and Bristol Chambers of Commerce have called for a general review of the various barrage schemes in the light of rising costs for other fuels, a possible energy shortage and improving technology.

Nevertheless, the civil engineering industry feels that knowledge gained in the construction of concrete platforms for North Sea oil development could be useful in the building of a barrage.

Benn in campaign against EEC

By Philip Rawstone

MR. ANTHONY Wedgwood Benn will join other Labour anti-market leaders today at the launching of a renewed campaign against Common Market membership and direct elections to the European Parliament.

The Energy Secretary will speak at a Press conference in London called by the Labour Party's Common Market Safeguards Committee to introduce a pamphlet which concludes that Britain has suffered both economically and politically from EEC membership.

The paper, published to coincide with the second anniversary of the Common Market referendum, strongly opposes direct elections.

Mr. Benn, a leading anti-market campaigner during the referendum, which concludes the minority Cabinet Ministers who have been resisting the introduction of Government legislation to meet the target date for direct elections next year.

Another article casts doubts on the usefulness of company liquidity, covering more than 200 of the largest industrial and commercial companies in the U.K. as a guide to the movements in companies as a whole.

A comparison quoted shows that the survey figures do not necessarily provide a good indication of what is happening to industrial and commercial companies as a whole.

Nevertheless, the survey covers an important group of companies which account for about a fifth of the current assets and liabilities of all industrial and commercial companies, says the article.

The comparison, says the article, shows that while the survey and the national figures for all industrial and commercial companies have shown similar broad cyclical movements, the liquidity of the companies in the survey has fluctuated more widely than that of all companies.

The liquidity ratio of the survey companies fell to 41 per cent. at the end of 1974, recovering to reach 67 per cent. in early 1976. For all industrial and commercial companies the ratio fell only to 58 per cent. at the end of 1974 and recovered to 69 per cent. by early 1976.

Local government played a crucial part in the checks and balances necessary for the administration of government throughout the country.

In a more centralised system, there would be a tendency towards more arbitrary action and a greater possibility of maladministration at local level, he said.

Central government had the time or energy to cope with re-allocating priorities between services according to the needs of a locality. With the continuing growth of State activities, there was a real need to devolve as many responsibilities as possible to local government.

Councillor J. B. Womersley, of Bradford, told delegates that there must be a more radical, revolutionary approach to local government finance. We must assert ourselves and there is an increase in local accountability.

He said that Tory plans for abolishing rates would leave accountability to local electors virtually non-existent.

Mr. Cyril Osborne, of Redford, said the abolition of domestic rates would do no doubt be a popular electoral move, but he warned the Tories that it could destroy local government by making it dependent on Government hand-outs.

Local government played a crucial part in the checks and balances necessary for the administration of government throughout the country.

U.K. pesticide sales up 18%

BY KEVIN DONE, CHEMICALS CORRESPONDENT

DOMESTIC AND export sales of pesticides, which pushed up sales of pesticides increased by 18 per cent. in value last year, U.K., after inflation, and exports rising from £150m. in 1975 to £180m. in 1976, according to figures from the British Agrochemicals Association.

Overall, the turnover of the agrochemicals industry increased only slightly after allowing for inflation, by less than 2 per cent. There were only marginal increases in the U.K. sales of herbicides and fungicides. Sales of insecticides were up 15 per cent. from £81.4m. to £93.7m.

The net export of herbicides showed no significant change last year compared with 1975, a year in which there was exceptional high demand. After the oil price rises in 1976, the early 1970s and the subsequent shortage of many chemicals, British agrochemicals industry was well-placed to meet the high demand of 1975.

It suggests that these severe fluctuations in demand have now worked through the system and that a steadier pattern will emerge this year.

U.K. sales of herbicides last year (with export sales in brackets) totalled £80.1m. (£56.4m.) fungicides £39.8m. (£25.5m.) and insecticides £16m. (£10.1m.). With its high added value content, agrochemicals remains one of the most profitable sectors of the chemicals industry.

NATIONAL BANK OF HUNGARY U.S.\$25,000,000 8 1/2 per cent. Bonds 1981

DRAWING OF BONDS Morgan Grenfell & Co. Limited announce that Bonds for a total of U.S.\$25,000,000 nominal of the above Loan have been purchased and tendered to them for cancellation.

Notice is hereby given that a Drawing of the above debt took place at the offices of Morgan Grenfell & Co. Limited on 23rd May 1977 attended by Mr. Edwin Bruce Walker of the firm De Puma, Scovens & Jones, Vienna, Hungary Public, and 2,500 Bonds for a total of U.S.\$25,000,000 nominal were drawn for redemption at par on 30th June 1977. The nominal amount of the Loan outstanding after 30th June 1977 will be U.S.\$20,000,000.

The following are the numbers of the Bonds drawn:

Table with multiple columns of bond numbers ranging from 102 to 2463.

Tory plans to abolish rates attacked

By Stuart Alexander

IF THERE was no local government system in this country, we would have to invent something to do the job of Mr. R. L. W. Nixon, president of the Chartered Institute of Public Finance Accountants, told its annual conference in Eastbourne yesterday.

Central government could not meet the participatory needs of a democracy and the participation function of local government was undoubtedly an important one.

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PUBLIC DEBT REDEFINED IN 'ECONOMIC TRENDS' A more comprehensive measure

TOTAL PUBLIC SECTOR debt held by the private sector reached nearly £74bn. at the end of March 1976, an increase of £12.3bn. compared with a year earlier, according to the latest issue of Economic Trends.

Expressed as a percentage of gross national product in the two years, though, the increase was only 2 1/2 percentage points. Of the total increase, £10.6bn. was taken up by domestic holders and £1.7bn. mainly in foreign currencies, by overseas holders. The proportions of the debt held by domestic and overseas holders has changed very little over the last five years.

The figures are contained in a special article introducing a revised presentation of public sector debt figures bringing the figures of outstanding debt more closely into line with the "flow" figures of the public sector borrowing requirement.

The article points out that in the past most attention has been attracted by a narrow definition of Government debt, the national debt. This concept has the advantage of being available relatively quickly.

It is by no means comprehensive as a measure of Government indebtedness, however, and is affected by the extent to which other public sector bodies—local authorities and public corporations—raise the finance they need by borrowing from central government rather than directly from the market.

The article concentrates on a definition of public debt which includes the whole of the public sector debt held by the private sector, both at home and overseas.

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Shipping policy adviser

Mr. E. Y. Barnard, an assistant secretary in the shipping policy division of the Department of Trade, will join the General Council of British Shipping on July 4 as its foreign relations adviser.

Press Council opens new enquiry

THE PRESS COUNCIL is to hold an inquiry into newspaper stories based on documents which are private, confidential or of doubtful validity.

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The way out of the maze.



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May reports maintain rising profit trend

FINANCIAL TIMES REPORTER

The 226 full reports and accounts received from companies in May showed an overall pre-tax profit increase of 41.7 per cent. on the year-on-year comparison. The number of reports received was the biggest this year—and taking the 69 per cent. April increase as exceptional—the profit rise maintains the upward trend apparent since January. The average increase in the first quarter was 33 per cent.

Of the reports analysed Babcock and Wilcox was far ahead of the rest with a pre-tax profit rise of 117 per cent. over the previous year. Unilever and P. & O. with gains of about 35 per cent. and RMC, 30 per cent., were others to stand out.

All the major companies stayed within the dividend limitation ruling with the exception of Dunlop which, with profits at the pre-tax level showing a rise of 38.6 per cent., increased its distribution 27.4 per cent. following its £16.4m. rights issue.

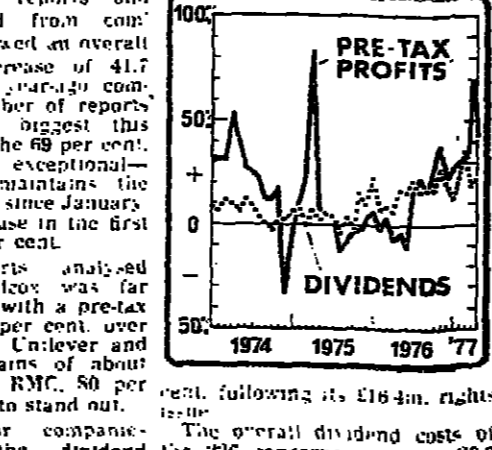
Littlewoods not going public, says chairman

By Our Consumer Affairs Correspondent

MR JOHN MOORES, the octogenarian chairman of Britain's largest private company, the Littlewoods Organisation, has told his staff that there is no question of the company going public.

Writing in the company's newsletter, he said that neither he nor his family saw any reason to need to alter the private basis of the company. Speculation that Littlewoods, which is entirely owned by the Moores family, might be going public was sparked off by the recent death of a member of the family who was coupled with the slightly more open approach to publicity the company has been adopting over the years.

In December, Littlewoods published details of its sales and profit for the first time. These showed that it made a pre-tax profit of £31.1m. in 1975 on turnover (excluding the pools business) of £405m.



The overall dividend costs of the 226 concerns rose up 20.3 per cent. on the previous year. This is shown below the average increase of 24 per cent. recorded in the first four months of the year.

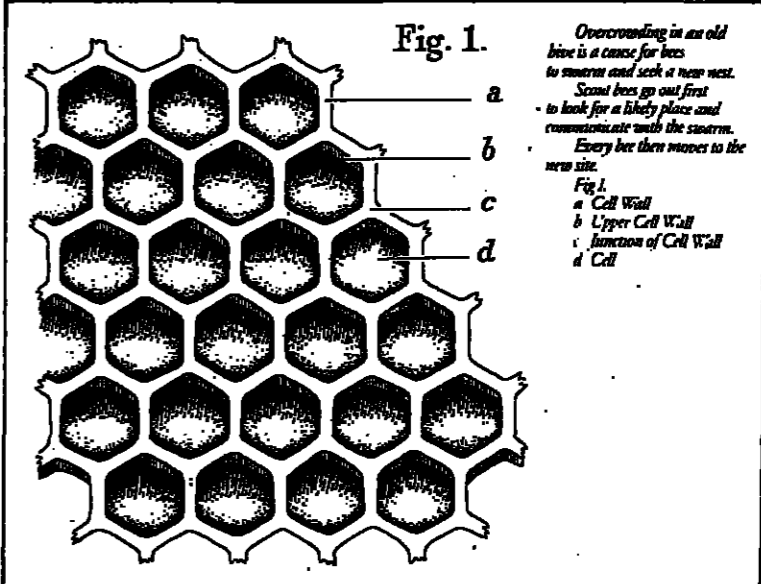
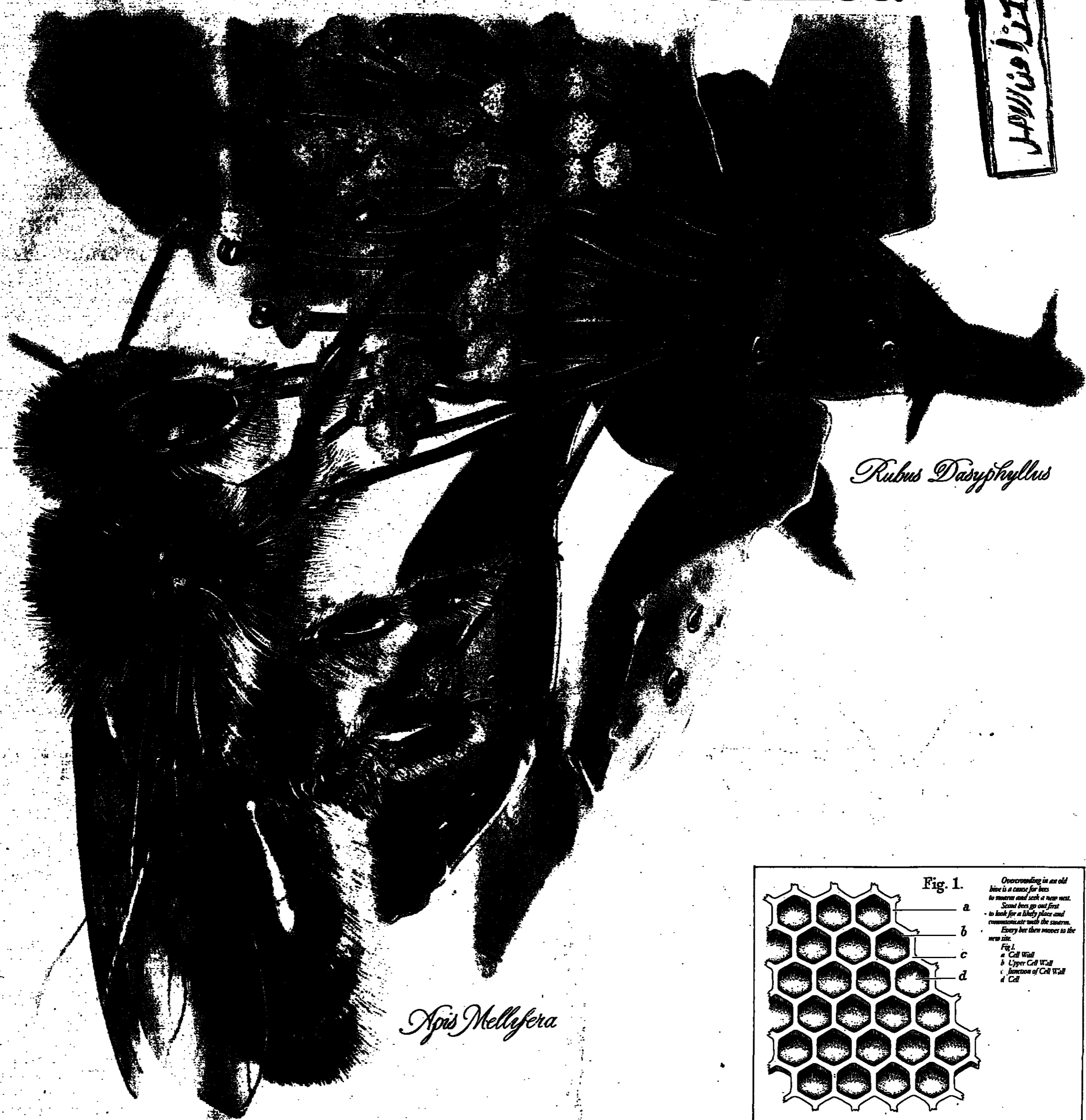
The above Bonds may be presented for payment of the proceeds of redemption at par on or after 30th June 1977 at the offices of any of the Paying Agents named on the reverse of the coupons, in the manner specified in Condition 7 of the Terms and Conditions of the Issue printed on the Bonds.

Honey Bees site their hives on instinct.

up 18%

HUNGARY
Bonds 19%

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INSTRUMENTS Positions pinpointed

GUIDING a helicopter or a rescue vehicle to a platform or a drill rig in the North sea in zero visibility and bad weather is anything but a simple problem.

The accuracies claimed for its new equipment, which is being shown for the first time in operation at a hydrographic equipment exhibition and conference in Stockholm next week.



The Tellurometer MRD1 microwave position fixing instrument

TELEVISION Improves the image

RECENTLY introduced into this country from the U.S. is a range of contrast enhancement filters that will be of interest to all those concerned with visual displays, particularly on the face of a CRT.

Solutions for producing a standard matt white stain and a dull grey finish are available. The solutions can also be used for certain offset printing processes.

MATERIALS Display boards

MADE FROM a paper honeycomb stiffened with synthetic resin, and covered with a raised loop nylon material, boards for use as display panels have been launched by Lydbury, Firoret Way, Four Elms Road, Edebridge, Kent (TK3 2TJ).

PROCESsing Aluminium pickling

SLIGHT PRESS markings, fluting, structuring caused by rolling mills, graded areas and scratches that occur during the machining of aluminium components can be almost eliminated by using pickling liquor additives developed by Degussa.

ENERGY Low-grade oil experiment

PRESSURE to get more energy out of lower grade fuels than have been used so far is growing rapidly, particularly in countries which have few natural resources of their own.

NOTICE OF REDEMPTION To the Holders of Continental Oil International Finance Corporation

9 1/2% Guaranteed Debentures Due 1985 Issued under Indenture dated as of July 1, 1970

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the above-mentioned Indenture, \$2,500,000 principal amount of the above described Debentures have been selected for redemption on July 1, 1977, through operation of the Sinking Fund, at the principal amount thereof, together with accrued interest to said date, as follows:

Table with columns: DEBENTURES OF \$1,000 EACH, listing various debenture numbers and amounts.

On July 1, 1977, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

CONTINENTAL OIL INTERNATIONAL FINANCE CORPORATION

NOTICE The following Debentures previously called for redemption have not as yet been presented for payment:

Table listing debentures not presented for payment, including numbers and amounts.

ENERGY Low-grade oil experiment

PRESSURE to get more energy out of lower grade fuels than have been used so far is growing rapidly, particularly in countries which have few natural resources of their own.

METALWORKING Trimming wire mesh

SHEARS for trimming wire welding current between 30 and mesh products by cutting off 120A, it is suitable for welding protruding wire ends after the rods with diameters from 1.5 to fabrication of items such as 3.2 mm.

ITALIAN welder

A VARIABLE control portable arc welding kit for light and medium duties is being marketed by Marcon Machines, 37 Queensway Station, Parade, Edgware, Middx. HA5 5XN (01-823 5642).

COMPONENTS Vacuum system valves

WITH NOMINAL bores of 5, 10, and 25mm a new range of Speciflex vacuum isolation valves has been launched by Edwards High Vacuum (part of BOC).

CONNECTS easily

IN MODERN compact electronic and electrical equipment, the need often arises to insert or extract a multi-way plug from its socket in a confined space where the necessary force, or perhaps, rotation cannot be applied.

ORDERS from Italy

FIVE ITALIAN vehicle silencer makers have between them ordered about £375,000 worth of the latest silencer manufacturing machinery from Birken Brothers, Beaufort Road, Birkenhead (061-652 1527).

CONSORZIO DI CREDITO PER LE OPERE PUBBLICHE CREDIOP ITALIAN PUBLIC STATUTORY CREDIT INSTITUTE HEADQUARTERS: VIA O. SELLA, 2 - ROME

BALANCE SHEET AT 31 DECEMBER 1976 (in millions of lire) showing Assets and Liabilities.

GENERAL MINING & FINANCE CORPORATION - GROUP OF COMPANIES DIVIDEND DECLARATIONS

DIVIDENDS table with columns: Name of Company, Dividend No., Per Share cents, Posting date, Currency Conversion date, Description, Total Dividend.

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MATERIALS Display boards

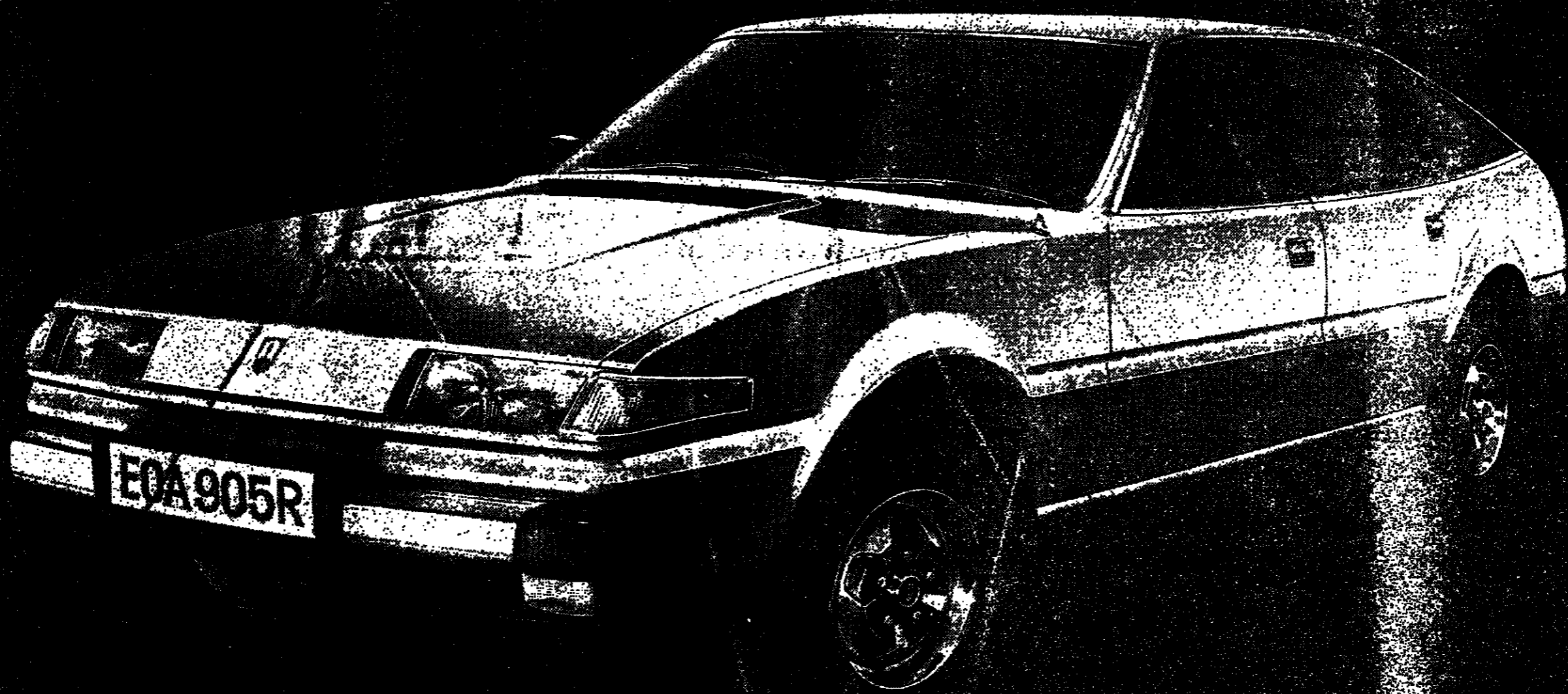
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FINANCE COMP

كارتا من الراجل



Rover 2000. Winner of the very first AA Gold Medal.



Rover 3500. Winner of the latest AA Gold Medal, 1976.

It's safe to say one thing about a Rover never changes.

The AA's Gold Medal is given in recognition of "a major contribution to the safety, comfort, economy, enjoyment or advancement of motoring."

The very first Gold Medal went to the famous Rover 2000. The latest goes to the equally famous Rover 3500, already holder of the Don Safety Trophy and the title Car of the Year. In their words, the AA awarded their Medal to "the Rover 3500, which has already been widely acclaimed and which is an impressive British manufacturing achievement."

The Rover 3500 is the first production car to carry the new Triplex Ten Twenty windscreen as standard. Ten Twenty itself won the AA Gold Medal and Don Award commendation.

And the Rover 3500 can be fitted with Dunlop Denovo 'run-flat' tyres as an optional extra: Denovos are another Don Safety Trophy-winner.

The Rover 3500. It's safe to say it's pretty safe.



Rover 3500

Winner of the AA Gold Medal, 1976.
Winner of the Don Safety Award, 1976.
Europe's Car of the Year, 1977.



Rover 3500 prices from £5983.38 including inertia front seat belts. Denovo wheels and tyres optional extra £111.00. All prices include car tax and VAT. Number plates and delivery extra.

THE JOBS COLUMN

How GEC learned what its managers thought of their work

BY MICHAEL DIXON

AS MANY readers will know from experience, to have the left hand merely not know what the right is doing, is a relatively healthy state for a big organisation. Even laymen would have little trouble in listing several concerns in which the incoherence extends to the various fingers distrusting, not only one another, but also the central brain which tries to control them.

processes are less clear cut than the public tends to appreciate. When the trials started in 1974, he says, GEC was far from a one-man band. Managerial responsibility was diffused widely through more than 100 fairly autonomous businesses, grouped into six sectors. Within this structure, the senior divisional and business managers were known as the "barons" — a name which was apt because, while owing allegiance to the central group, they "owned" their particular territory.

of some new, more co-operative activity. Even more to the same point is the confession of Action Learning Projects adviser, Bob Garratt: "The intensity of the antagonism between GEC companies was a major surprise to me." Such intra-group competitiveness might well be preferable to its opposite, provided that it were referred by headquarters according to clear rules which were seen to be fair by the competitors. But the book suggests that this was not the case.

private session with his men, his ability to relate national and international trends to each company contrasted with the insularity and anti-intellectualism of the managers present and of their managers back home. Sir Arnold's deep investigation of Barry's (another of the participants) intensely stated views on the abuse of people in the organization surprised many who had grown up with a different stereotype of their chief executive.

management believes that its executives have recognised that the problem exists to the extent of declaring it in public. And that is at least the essential first step towards improving conditions, not least for the middle-management backbone which all too often top executives — near really appreciate until it is damaged.

The impetus for this step was clearly provided by Sir Arnold Weinstock's seminar with the participants. If the whole action learning programme had achieved nothing but that, it would probably still have been worth its considerable costs by way of the participants' salaries and expenses while they were on the projects plus about £2,500 a head in tuition fees.

But there seems no reason why the chiefs of other big groups should have to spend anywhere near so much in order to benefit their companies in the same way. The essential elements of Sir Arnold's exercise were that he met the middle rankers in numbers small enough for them to talk back, and he took notice of what they had to say even though it disagreed with his own view of how the group was being run. To do that should surely not be beneath the dignity of any chief executive, no matter how many different levels of management support him.

More than Management Development, Gower Press, £8.

No telling

So, although these managers had to have their plans for the coming year inspected by headquarters before going off and trying to fulfil them, the central management could not readily tell them what to do, as distinct from making suggestions. "Some of the suggestions can be pretty powerful, but there is some genuine leeway and GEC is more of a federation than the centralised autocracy which is usually perceived from outside," says Professor Eccles. "It all makes GEC a very political organisation in that the power base, performance and ideas of an influential manager are major sources of his strength."

There are several other hints that the managers of GEC's scattered businesses may feel that they have too much territory to defend in the normal course of their work, to have time for the adequate planning

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Financial Controller International Shipping Group Five figure salary

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become totally involved in the operations of a world-wide organisation and in this respect the ability to undertake and control a variety of projects is essential. Salary will depend on your own experience and abilities but will be in five figures. Opportunity for career development within the Group is excellent as is the range of company benefits.

MCS/Robertson & Scott

Banking Operations Review

London EC3 circa £6000 + benefits. A major international commercial bank, our client is currently developing its operational appraisal techniques and now requires two further auditors. Examining systems within the operational and administrative departments of the bank and its subsidiaries, the workload will include both review of transactions and support functions. The UK operations are based on heavily computerised systems and the auditors will visit various locations travelling out of London about 10% of the time.

LIPTON the fork-lift people

FINANCIAL CONTROLLER DIRECTOR DESIGNATE REMUNERATION PACKAGE CIRCA £16,000 p.a. A financial controller is required by L. Lipton Limited, a major name in the U.K. Mechanical Handling industry. Based at Woodburn Green in Buckinghamshire, the company is primarily involved in the hire and sale of forklift trucks from 17 UK depot locations and a French subsidiary company. The company has a turnover in excess of £5 million with 400 people on the payroll.

THE UNIVERSITY OF ADELAIDE CHAIR OF COMMERCE

invites applications for appointment to the Department of Commerce is one of the two departments of the Faculty of Economics of the University of Adelaide. The Department works in close co-operation with the Economics Department to administer the three-year course for the Bachelor of Economics, and conducts undergraduate courses in accounting, business finance, data processing, industrial sociology, information systems, marketing and operations research.

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Our client, a major international banking group, is currently looking for an experienced Foreign Exchange Manager to join their operation in Hong Kong. The main responsibility of the post will be to head up and develop the foreign exchange business of an active, expanding branch. Ideally aged around 35, the successful applicant should have at least 10 years' experience of foreign exchange business including Euro-currency deposits. The salary, which will

reflect the importance of the position, will be negotiable around U.S. \$35,000 and is accompanied by the first-class range of fringe benefits to be expected from a major, progressive banking group. If you are interested in this challenging career opportunity, then write in the first instance, with details of career to date, to: K. Long, Moxon, Dolphin & Kerby Ltd., 60 St. Martin's Lane, London WC2N 4JB. Please list in a covering letter any company to whom you do not wish your application sent, and quote ref. MDK 587.

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Senior Opportunities in IRAN

Iran Aircraft Industries is a dynamic company currently engaged on a major expansion programme which will make it the most complete aerospace company in the Middle East. It is situated in Tehran, the modern cosmopolitan capital of Iran. The following senior personnel are urgently required and it is unlikely that anyone under the age of 35 will have the requisite experience.

Investment Assistant

Cornhill Insurance is a medium-sized composite company with a 1976 premium income of £74m and present funds under management of around £100m. The company is a member of the widely based Thomas Tilling Group. The Investment Department now wishes to recruit an Assistant to join its small team. The successful applicant will be mainly concerned with investment analysis/fund management of the overseas portfolio, and should have a specialised knowledge of either North American or Australian markets.

Treasury c. £11,000

One of Britain's largest international companies - with turnover exceeding £1,000m and over 20% of its assets overseas - wishes to appoint an Assistant Treasurer. The main tasks will be to assist in the preparation and monitoring of the company's financing plan; supervise the borrowing activities of the divisions world-wide; assist the Treasurer in negotiating for new financing; and ensure compliance with Bank of England and Treasury regulations, including exchange control.

Philip Smith Manpower Consultants 85-87 Jermyn Street, London SW1Y 6JD

Red In America Group Finance Estates Project FINANCIAL AUSTRIA

¿ Podría Ud. establecer una Red Internacional de Comercio en América Central y América del Sur?

John Holt and Company (Liverpool) Limited, una organización de comercio internacional con transacciones en muchas partes del mundo, busca una amplia variedad de artículos, desde ahora exportar y establecer relaciones con los mercados de América Central y América del Sur.

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castellano y/o el portugués con soltura, y también será necesario que domine el idioma inglés, pues trabajará en estrecha colaboración con nuestra oficina principal en Liverpool.

El salario y condiciones de empleo serán sueltas a gestionar, y atraerán a hombres de negocios con experiencia, acostumbrados a negociar acuerdos comerciales a alto nivel.

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c. £5000

This is an ideal opportunity for a young banker to build a career in international banking with one of the most firmly established City Consortium Banks.

The job entails the analysis and interpretation of companies' financial statements, upon which to base recommendations in respect of proposed and existing credit arrangements, and also involves attention to the taking and perfecting of appropriate security.

The Bank seeks a young A.I.B. with a general banking background that incorporates direct experience of Advances and with both the perception to recognise, and the ability to capitalise on, the excellent prospects for advancement.

To discuss this matter in detail, and in confidence, please telephone John Chiverton, A.I.B. on 405 7711.

David White Associates Ltd.
Hampton House, 84, Kingsway, London, W.C.2.

ASSISTANT TO GROUP TREASURER MANCHESTER

TOOTAL is a large international group with a turnover in excess of £200m, of which about half relates to overseas companies and exports from the U.K.

The work will involve all aspects of raising finance and investing and monitoring its use both inside and outside the business. Early emphasis will be on group currency cover routines and cash management.

The candidate will probably be in his or her late 20s or early 30s and ideally should have an Accountancy qualification or an Economics or similar degree, along with relevant experience with a multi-national company or bank. Those who only meet some of these requirements, but are equal to the post and its potential, should not be deterred from applying.

Job satisfaction and excellent career prospects together with an attractive salary are the rewards offered to the right applicant. Please write in the first instance to:

GROUP APPOINTMENTS MANAGER,
TOOTAL LIMITED
56 OXFORD STREET, MANCHESTER M60 1HJ.

Export Finance Merchant Banking

Due to continued expansion of our Export Finance Buyer Credit Division, we need two more Bankers experienced in project financing.

Grindlay Brandts is one of the largest lenders in the Eurodollar market and recently succeeded in completing the first unsyndicated ECGD Dollar Buyer Credit. In order to join us you will need to have had at least three years' experience in the negotiation of Buyer Credits with overseas customers, UK industrialists and ECGD.

The total remuneration package, which includes generous mortgage assistance, should not be an obstacle for the right person. Please write, with full career details, to:



Grindlay Brandts

Mr T. C. H. Macafee, Manager,
Recruitment, 36 Fenchurch Street,
London EC3P 3AS.

Group Financial Controller

Liverpool

£8000+bonus+car

Our client, a leading international commodity trading group with a turnover of £300 million, requires a Chartered Accountant aged 35/45 for its head office in Liverpool. This is a new appointment due to rapid growth in recent years.

The Financial Controller (male/female) will be responsible to the Financial Director for the consolidation of the financial and management accounts of over 20 companies throughout the world and will visit them occasionally. Advanced EDP systems

for trading and accounting records are being installed at the main UK operating company. Responsibilities will also include control of the computerisation, the development of management information and the financial reporting of the subsidiaries.

Applications, which will be treated in strict confidence, should include full details of career and salary progression. Please write to: R. J. Ellison (ref. 2194/B).

Deloitte, Haskins & Sells, Management Consultants,
P. O. Box 207, 128 Queen Victoria Street, London EC4P 4JX.

Chief Internal Auditor

London Area c.£7000+Car

A leading Finance House requires an Accountant to develop its existing Internal Audit function with particular emphasis on the computerised audit programme.

The person appointed will be a Chartered Accountant aged about 30. Substantial audit experience is required combined with a commercial outlook.

Non contributory pension scheme and usual large company benefits apply.
Telephone: Mrs Eileen Cheng
01-235 7030 Ext. 227 or write to: PER,
4/5 Grosvenor Place, London SW1X 7SB

PER PROFESSIONAL and EXECUTIVE RECRUITMENT

This vacancy is open to male or female candidates.

Estates and Project Manager

Chemical Bank is a major American International Bank and employs approximately 16,000 staff worldwide. In order to assist with the Bank's international property programme, applications are invited to fill the newly-created position.

The person appointed will report to our International Real Estate Co-ordinator and will be responsible for:

- Handling the acquisition and disposal of premises including lease reviews and associated legal matters.
- Instructing architects and negotiating with contractors, coupled with the general supervision of construction work.
- Dealing with all aspects of office relocation.

It is envisaged that initially the duties will cover development and refurbishment programmes at present being carried out in Europe. Although the position will be London-based, a considerable amount of travel will be involved.

Ideally we are looking for a chartered surveyor/architect but applicants, male or female, with considerable practical and directly relevant experience will also be considered. Knowledge of a European language is desirable but not essential. It is unlikely that anyone under the age of 30 will have gained the required experience.

In addition to an excellent starting salary, an attractive benefits package will be provided including low-cost mortgage, non-contributory pension scheme, B.U.P.A. and profit sharing.

Please write fully, including details of present salary to: Tony Smith, Deputy Personnel Manager, Chemical Bank, Chemical Bank House, 180 Strand, London WC2R 1ET.

CHEMICAL BANK

Senior Field Auditor

UK and Europe

This key appointment is with a major expanding international construction equipment company and offers outstanding future career prospects for a qualified accountant aged 26-35.

The person selected will lead a team of Field Auditors operating in the U.K., with additional assignments on the European continent. Ability to liaise with line management in manufacturing sales and service operations will be a prime responsibility.

Candidates, male or female should have had previous professional or industrial auditing experience and be accustomed to evaluating accounting and internal controls on a multi-locational basis. A knowledge of U.S. accounting and reporting techniques is necessary; previous

overseas experience and fluency in Spanish and French or German would be ideal.

Although the post is based in Northern England, there will be a considerable amount of European travel. The salary is negotiable around £9,000 and there are excellent fringe benefits. Assistance with re-location will be given if necessary.

(PA Personnel Services Ref: AA33/1600/1F)
The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



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Wiltshire...our haven for a taxation specialist

Burmah House, the international headquarters of the expanding £800 million Burmah Group, is a modern office complex set in its own parkland on the edge of the Wiltshire downs. The Group's wide ranging business interests cover the oil, vehicle component, engineering, construction and process industries and the retail and wholesale trades.

We are seeking an Assistant Taxation Accountant: a qualified accountant, aged 25 to 35, who has some experience of corporate tax matters and is keen to specialise in this field.

In this new position within the Taxation Department, you will be involved in planning, reviewing and co-ordinating the tax affairs of UK and overseas

subsidiaries, and in advising and assisting senior management on tax implications connected with current and proposed developments.

The salary is competitive and negotiable; the pension scheme is non-contributory and relocation assistance to an area offering excellent housing, social and recreational facilities will be provided where appropriate.

For an application form either call David Freeston, Senior Recruitment Officer, on Swindon (0793) 30161 Ext. 2482, or write to him at Burmah Oil

Trading Limited,
Burmah House,
Pipers Way,
Swindon,
Wilts. SN3 1RE.

FINANCIAL CONTROLLER EUROPE

U.S.-based company requires an International Controller to handle European accounting and financial affairs of wholly-owned subsidiary about to be established, possible location Holland or Belgium.

Successful candidates will have 5-10 years' experience in senior financial management with medium sized companies. Experience in international operations desired.

Please submit resume to:—
INTERSIL INCORPORATED,
8 Tessa Road, Reading, Berkshire RG1 5ND
Tel: Reading 595011

Attention: Paul Araquistain
Interviews will be conducted in London and Amsterdam commencing June 13th.

Please give telephone number where you can be contacted.

FINANCIAL CONTROLLER AUSTRIA Salary U.S. \$20,000

A major international U.S. toiletries and cosmetics company requires a controller for its subsidiary in Vienna. The subsidiary is now embarking on a phase of major expansion in which the controller will be expected to contribute to the overall management policy. Candidates must speak German and should have a professional qualification and good experience of international accounting methods and reporting procedures. The financial controller will be expected to organise financial and administrative systems and to control the financial department.

Salary will be negotiable in the region of U.S. \$20,000 dependent upon qualifications and experience. Re-location expenses will be met. Applications with career details and salary history, should be sent quoting reference J.D.A. to

Champion King Advertising Ltd., 7a Paradise Road,
Richmond, Surrey TW9 1RX

ROWE & PITMAN, HURST-BROWN

has an attractive opportunity in the Research Department for a young investment analyst to specialise in the electrical sector and to assist in maintaining the Firm's extensive connections in the electrical industry

We look for an applicant with some experience as an analyst, preferably but not necessarily in the electrical sector. The applicant must have the ability to write research material to a high standard; for an ambitious analyst the position has excellent prospects.

Salary negotiable according to qualifications and experience. Non Contributory Pension Scheme and good life assurance cover.

Applications with C.V. in confidence to:—

P. N. Smith
ROWE & PITMAN, HURST-BROWN,
1st Floor,
City-Gate House,
39-45 Finsbury Square,
London EC2A 1JA.

INSURANCE SECTOR ANALYST

Applicants must have had at least two years' experience in a research department in the insurance sector and have the ability to put his (or her) ideas over to both colleagues and clients. The right person will probably be aged between 25 and 30, though an older person would be considered, and will be anxious to share in the firm's profits as soon as possible.

Write in confidence with full details of education and career to date to the Staff Partner, Grieseson, Grant & Co. P.O. Box 191, 59 Gresham Street, London, EC2P 2DS.

GRIEVESON, GRANT & CO.

FOREIGN EXCHANGE IN PARIS

LEADING NEW YORK BANK SEEKS SENIOR DEALER FOR ITS PARIS OFFICE

Applicants must have had at least five years' experience in an active trading room and be fluent in French.

Salary and other benefits are negotiable.

Reply in confidence stating age and experience to Box A.5972, Financial Times, 10, Cannon Street, EC4P 4BY.

CREDIT ANALYST

An American-owned financial organisation is seeking a Credit Analyst, aged in the mid-20s, with a good reading knowledge of French.

The position will report directly to the Credit Manager for Europe and will involve such responsibilities as analysing credit files submitted by European affiliates for recommendation to the Credit Committee. Salary will be based on applicable experience.

Applications should be sent in strict confidence to:
Box A.5974, Financial Times,
10, Cannon Street, EC4P 4BY.

An exciting career opportunity for a young banking specialist up to £7000 + car

We are one of the top companies in the U.K. computer services business - part of an international network. Our major clients include foreign and merchant banks and other financial institutions in the City of London who use us for on-line foreign exchange and financial/corporate planning systems. Expansion of these services into new areas within banking creates an exceptional opportunity in our sales team for a young ambitious banking specialist. It offers a stimulating change from a mundane desk job to a more active and rewarding career. We will train you both in-house and in the field. You will learn how our customers benefit from our services thus enabling you to eventually sell to new customers. For a while you'll travel around with or have close supervision from a senior sales executive.

We'd like you to be aged 24-28, ideally with a degree and have 4-5 years' experience preferably within a foreign or merchant banking environment. But equally important is a keen desire to change your career course and the confidence and potential to succeed in a sales role.

We value your banking knowledge and will pay you with commission up to £7000 for your first year with us. Our attractive benefits include Company car and expenses, BUPA, pension/life assurance scheme, etc.

We're a young organisation - individually and as a Company. So if you're seeking a dynamic activity where personal effort is encouraged and rewarded please write to Nicholas Birles on 01-222 2652 or write to him at—

Comshare Limited,
32-34 Great Peter Street, London SW1P 2DB

COMSHARE
making the computer make sense

Our client, an American multi-billion dollar company specializing in the development, manufacturing, marketing, installation and servicing of complete business systems for selected worldwide markets, is seeking qualified candidates for the position of

Executive Assistant to the Managing Director

for its subsidiary in Tehran.

The vacancy is a career senior management position with outstanding opportunities for advancement. A highly competitive salary plus benefits is being offered.

The successful candidate, who should be an Iranian national, with a complete command of the English language, will be responsible within the subsidiary for medium and long-range planning activities involving marketing, finance,

administration and personnel as well as asset management.

The ideal candidate should have several years business experience, with particular emphasis on accounting and finance, and be under 40 years of age.

Interested applicants are requested to submit to us in confidence a detailed resume with salary requirements.

Personal interviews will be held in London and on the Continent within three to four weeks.

Charles Barker GmbH

Management Selection International
Kettenhofweg 137 · 6000 Frankfurt 1 · West Germany

Tel: 0611-74 90 74 Frankfurt Office · Tel: 01-236-0526 London Office

Company Secretary (Designate)

London

For a profitable and expanding manufacturing and distributing group: annual sales c£75m. The Company Secretary Designate will report to the Director of Administration and Personnel who is also at present the Company Secretary, but who has become increasingly concerned with management generally. The successful candidate should be appointed Company Secretary after a short probationary period. Responsibilities will include the usual range of company secretarial duties, legal matters and some involvement in the personnel field. This appointment offers an opportunity to make a positive contribution at top level to a small corporate management team and duties will extend beyond those of an exclusively specialist role. Applicants, men or women, preferably in the age bracket 35 to 45, should be barristers or solicitors or have a law degree and have a sound practical knowledge of company and commercial law. Experience in a commercial/industrial environment would be an advantage. Although based at the London head office some travel in the UK will be necessary. A five-figure starting salary is negotiable together with company car, fringes and relocation assistance.

Please telephone Philip Egerton (01-584 6171) or write to him in confidence, quoting reference 3599/FT.

Inbucon/AIC

Executive Selection
197 Knightsbridge, London SW7 1RN

Financial Director Designate

c. £15,000

A well known metal processing company which has a current turnover of £20 million plus and a record of solid and substantial growth, requires a Financial Director. He/she will succeed the present holder on retirement next year. Initially he/she will review, and where appropriate modify accounting policies and practices at head office and the three manufacturing locations. He/she will then take complete charge of the finance, accounting and management information functions and will play a full part in Board Room deliberations. He/she will investigate expansion projects and acquisitions and will take special interest in certain overseas subsidiaries. Candidates aged 35-45

should be qualified accountants with senior management experience in manufacturing industry and with particular strengths in management information and EDP. Salary negotiable around £15,000 plus car and BUPA. Location Central London.

PA Personnel Services Ref: AA348007/FT
The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

Saudi International Bank CREDIT ASSISTANT

Saudi International Bank wishes to recruit an additional Assistant to Lending Officers. Responsibilities include both credit analysis and marketing.

The successful candidate will probably be in his/her late twenties, with a relevant degree and/or professional qualification, at least 24 months' international banking experience (preferably including a period of formal credit training) and language skills. This is an opportunity to build a career with a rapidly expanding Bank.

Salary negotiable, excellent fringe benefits.

Please write, enclosing a detailed c.v., to:

The Manager,
Operations Division,
Saudi International Bank,
99 Bishopsgate,
London EC2M 3TB.



Local Authority Dealer

We require a Dealer who is experienced in all aspects of the Local Authority Market.

Write in confidence, giving details of previous experience to:

MANAGING DIRECTOR,
KIRKLAND-WHITTAKER (STERLING BROKERS) LTD.,
67 CHISWELL STREET, LONDON EC1Y 4XX.

CREDIT ANALYST

Due to expansion in our lending area we have an opening for a credit analyst who will join a team of analysts who provide support for our international lending activities.

The successful candidate will be aged 23 to 27, with a degree or other suitable professional qualifications, one to two years' experience in credit analysis, preferably obtained in an international bank. Initiative and the ability to assume early responsibility are important qualities.

Salary is negotiable plus usual fringe benefits associated with banking employment.

If you are interested in this position, please write enclosing a curriculum vitae or telephone for an application form to

Miss C. Beck,
FIRST NATIONAL BANK IN DALLAS
60 Aldermanbury, London EC2V 7JT.
Telephone: 01-686 9111.

INTERNATIONAL BANKING SHIPPING

Bankers Trust Company seeks to engage an Assistant to join its expanding global Shipping Group.

The ideal candidate will be age 26-29 and have a minimum of two years experience as a credit analyst in an international environment analysing multinational corporate credits. In addition some familiarity with the shipping industry plus a knowledge of general banking operations and a language will be advantageous.

He or she will join a marketing group covering Europe and the Middle East and be expected to progress towards assuming marketing responsibilities within 12 months.

An excellent salary will be offered commensurate with qualifications and experience plus fringe benefits normally associated with a First Class Banking Institution in the City of London. Letters of application may be submitted in complete confidence and should enclose a detailed curriculum vitae with if possible a recent passport photograph.

Please write to:—

Mr. P. C. Taber,
Personnel Administration,
Bankers Trust Company,
9 Queen Victoria Street,
London, EC4P 4DB

UNIVERSITY OF LONDON Deputy Superannuation Officers

Applications are invited from men and women for the post of Deputy Superannuation Officer. Under the control of the Superannuation Officer, the Deputy Superannuation Officer (D) acts as Deputy Secretary of the Superannuation Arrangements of the University of London (SAUL), a self-administered scheme for non-academic or related staff, having some 8,000 members and pensioners. (D) supervises the administration of SAUL, the systems for which are computerised, including records and payment of benefits. (D) acts as Deputy Secretary to other University pensions committees, and (D) supervises the section dealing with the pensions, under a number of schemes, of the staff of the Central University.

A sound education is essential and a degree or professional qualification is desirable. Preference will be given to candidates with previous experience in the pension field. Sound judgement, the ability to control staff and administrative ability are important.

Salary in Administrative Grade 1B (£2,927 to £4,511) plus £450 London Allowance. For details apply to: Membership of the Universities' Superannuation Scheme. Further information obtainable from Personnel Officer, Senate House, Malet Street, London WC2E 7HE. Tel: 01-235 5908. Ext. 15. Closing date for applications 17th June.

LOMBARD & ULSTER BANKING LIMITED



BANKING

EXPERIENCED BANKER or QUALIFIED ACCOUNTANT with the right background

Lombard & Ulster Banking Limited is a subsidiary of Ulster Bank Limited and a member of the National Westminster Group. We are expanding our Banking Division staff at Belfast and seek someone with the ability to assess, negotiate and monitor substantial loans. The right candidate will have a good banking background or be a qualified accountant with relevant experience and flair. Salary will be commensurate with qualifications and experience and a car will be provided. There will also be membership of a non-contributory pension scheme and an attractive house mortgage scheme. Lombard & Ulster are looking for an ambitious individual who will have the ability to make a significant contribution as a member of a small progressive team and who wants a challenging and rewarding career.

Please apply to:
C. F. S. Gibney, Managing Director,
LOMBARD & ULSTER BANKING LTD.,
Canada House, 52 North Street,
Belfast, BT1 1JX.

International Arbitrage Trader

To be responsible for Trading Desk in London Office. Through knowledge of International Equity Markets and experience in dealing with institutional accounts required.



Contact: Dick Rogoff
Goldman Sachs International Corp.
40 Basinghall Street, London EC2V 5DE,
01 638 4155

FINANCIAL EXECUTIVES

Financial Executives preferably, but not necessarily, with music business experience currently earning in the region of £5,000 p.a. upwards who are interested in moving to a senior position in the music industry should write in complete confidence to the address below giving details of experience and current earnings.

John Edwards,
68J Crystal Palace Park Road,
Sydenham,
London S.E.26.

This vacancy is open to both men and women.

Head of Eurocurrency Syndications Section

required by expanding multinational bank. The successful applicant will be responsible for marketing all loans and will report to the International Loans Manager. Salary negotiable but not less than £8,000.

Applications, with full c.v., should be addressed to:—

The Manager
Iran Overseas Investment Bank Ltd.
129 Moorgate
London EC2M 6TS

STATISTICAL DEPARTMENT

of well known firm of Stockbrokers require an assistant who has experience in handling investment enquiries. Candidates should write to Box A5973 giving details of previous experience and present salary.

Stockbroking in the Country

A London firm of Brokers has a vacancy in their Cotswold office. Applicants with experience, to help in managing and expanding Private Client and Business, apply to Box A5970, Financial Times, 10, Cannon Street, EC2P 4BY, giving details of experience to date.

Junior Dealer

Kitcat & Aitken require a Junior Dealer. Please contact Mike McKee or Bob Borthwick on 01-588 6280.

TIMES NEWSPAPERS LIMITED FINANCIAL JOURNALIST

A vacancy will shortly exist for a young financial journalist with working knowledge of the financial system and corporate sector and with experience in the field of financial analysis. Please write with full details to:

The Employment Manager,
Times Newspapers Limited,
200 Gray's Inn Road,
London WC1X 8EZ.

FINANCIAL DIRECTOR/COMPANY SECRETARY

required to strengthen management of London based private group of companies operating in Export Packaging, Freight Forwarding and Furniture Manufacturing fields. Turnover £1.5m. per annum. Profit sharing for right person. White Box A.5969, Financial Times, 10, Cannon Street, EC4P 4BT.

FINANCIAL ACCOUNTING MANAGER

c.£27,000 neg. 28/40. Major S.W.1 exporting Co. seek a qualified financial accountant who will be responsible for European subsidiaries. Specific duties include: monthly operating reports and analysis, controlling assets, accounts, taxation and legal advice. 12 mos. probation and legal advice. 01-477 0781 ATA SELECTION

APPOINTMENTS WANTED

FINANCIAL ACCOUNTANT/C.A. 35 with 10 years experience of industry Companies and Banking as Director need highly motivated, hard working, keen to work in other business. Tel: 01-947 8942

Finance Director

£10,000-£15,000
Surrey/Hants border

An autonomous subsidiary of a major UK public company is looking for a Finance Director following the promotion of the present Director.

The company is located within easy reach of London and is selling a service to businesses of all sizes on a national basis. This is a Board appointment and the successful candidate will be responsible to the Managing Director for the finance, data processing and planning functions.

Essential requirements:—
— qualified accountant aged 35-45
— currently earning in excess of £7,500
— has had responsibility for both accounting and data processing functions
— knowledge of taxation

Replies, giving full details of qualifications and experience will be forwarded, in confidence to the management consultants who are advising on this appointment.



JWT Recruitment Limited (S63/FT)
40 Berkeley Square London W1X 6AD

EVANS EMPLOYMENT AGENCY LTD.

will welcome your enquiries in strict confidence about positions in
STOCKBROKING AND BANKING

15, Caphall Avenue, London EC2R 7BT. 01-428 0985

PHILLIPS & DREW

Phillips & Drew require one or two senior Dealers with experience of Institutional dealing.

Likely age bracket 27-33.

Applications are also invited from young men and women, with or without experience, to be trained as "blue-buttons."

Apply Staff Manager, Messrs. Phillips & Drew, Lee House, London Wall, London, EC2Y 5AP.

AMERICAN INVESTMENT COMPANY

We wish to recruit a young, self motivated executive to work in our city office and make investment recommendations on a wide range of securities which includes an existing substantial Eurobond portfolio. We envisage that suitable candidates will already be in a position of direct responsibility for investment decisions most likely within a stock-brokers office.

The prospects are excellent and the attractive remuneration package reflects the importance that this position will have within the company.

Please reply in confidence, with a curriculum vitae to Box A.5976, Financial Times, 10, Cannon Street, EC4P 4BY.

السيد جلال

Secretary

قائمة من العملات

Own a share in some of the world's rarest* and most expensive coins

*see Guinness Book of Records: Coins—Rarest Modern British

5,500 shares to be sold at £100 each.

the world's first Rare Coin syndication

One of the Legendary EDWARD VIII Sets Price £250,000

ONE OF THE FINEST INVESTMENTS IN THE WORLD TODAY

Leading numismatists confirm the claim that coins are the best investment in the world today. These six British coins, four in silver and two in gold, make up the partial set of Edward VIII pattern which is considered to be one of the rarest coins in the world.

- the world's most valuable Crown.
- the world's most valuable Half-Crown.
- the world's most valuable Shilling.
- the world's most valuable Sixpence.
- the world's most valuable Penny.
- the world's most valuable Farthing.

ROMANCE OF THE CENTURY

Edward Albert Christian George Andrew Patrick David, later King Edward VIII, was born in 1894, the third son of King George V and Queen Mary, grandson of King Edward VII and great-grandson of Queen Victoria.

He became Prince of Wales in 1911. Edward's engaging personality triumphed continually over a background of excessive formality and by middle-life he had become an astonishingly popular and well-beloved man both at home and abroad.

There was a modern Prince Charming, a man in tune with his times, the man who became known as the King. King Edward VIII, bachelor still with his youthful good looks at the age of 41, in his reign with unselfconscious ease and a self-appointed mission to modernise the Monarchy. Even to the extent of marrying the woman he loved.

Wallis Warfield Simpson may have been a woman in the eyes of the English Court but there is no disputing her position as a member of American society. Both her parents came of old and established American families. She attended the most fashionable girls' schools of her day. By the time she first met the Prince of Wales at a party in November 1930, she had become a highly sophisticated world traveller. She had also divorced one husband and married another. In London society she shone; not only as a woman of natural grace and charm, but also as one who was fully informed, attractively self-assured; a woman decidedly more independent spirit than others in her social group.

Wallis Warfield Simpson was a fitting companion for any accomplished gentleman and a particularly exciting friend for the socially aware, progressive Prince of Wales. During a summer cruise in 1934, they realised that their friendship had extended into love.

Problems obviously existed, problems that remained unresolved when Edward became King in January 1936.

The most obvious one — Wallis's marriage to Ernest Simpson — instead of disappearing as it would have done for lesser beings, led to an even graver issue on the granting of a decree nisi.

Now, the British Government and Press faced the reality of an impending marriage; a marriage that could rock the realm by overriding centuries-old traditions and beliefs.

Mrs Simpson was not of Royal blood. She was American born, and bred. Even if such unprecedented obstacles could be overcome, as head of the Church of England a British King could not marry a divorced woman.

There followed approximately three short weeks of intense drama which included shock, anger and heartache. This was 1936. In those days, far more than now, public opinion took guidance from the Establishment.

As the news and rumours intermingled and circulated throughout the land, Edward had an agonising personal decision to make—and he had to make it quickly.

He could give up Wallis Warfield Simpson. But having waited so long for true happiness, how could he give up the woman he loved?

He could enter into a bitter confrontation with Parliament. This would create a constitutional crisis that the country, indeed much of Europe, could ill afford at this time of depression and international stress. Edward's own strong sense of duty would rule out such a catastrophic move.

He could renounce the throne, sacrifice his birthright, and be free to marry for love.

Almost at the last minute, Wallis Simpson decided to give up Edward — to commit one of those selfless romantic acts which the world has always admired — for the sake of the country.

It was too late. Edward had already made his decision. After barely 11 months as King, Edward VIII signed his instrument of abdication on December 11, 1936. The setting for this momentous act was Fort Belvedere, his cherished country home which reflected so poignantly the creative spirit for which he had been deeply admired. He announced his decision to the world in an unprecedented radio broadcast in which he said:

"I have found it impossible to carry the heavy burden of responsibility and to discharge my duties as King as I would wish to do without the help and support of the woman I love."

Created Duke of Windsor by his brother and successor, George VI, the ex-king married Mrs Simpson in France on June 3, 1937.

Their supremely happy marriage was, rightly described in 1948 by his friend Sir Winston Churchill as "one of the great loves of history".



NEW COINAGE FOR THE NEW ERA

The romance and drama surrounding Edward VIII's eleven-month reign extends into the design and production of his coins. He took a great personal interest in every stage of their creation. He called for sweeping changes — changes which were not altogether popular with his die-hard traditional advisers.

THE FACE OF OPPOSITION

For 300 years successive monarchs had always faced in opposite directions on their coins. King George V faced left. King Edward VIII was therefore due to face right. But Edward was convinced — and rightly most would agree — that his left profile showed his features to their best advantage. He would change the centuries-old tradition and face left.

Attempting to avoid a controversy, experts instructed the designer to depict the King's left profile but at the same time face him to the right. Edward could not agree to this somewhat ridiculous ploy. Further designs had to be produced with his effigy facing left. From these the final selection was made. Although it may seem trivial now, this major break with tradition would undoubtedly have produced a strong reaction from numismatists and other connoisseurs.

THE OTHER SIDE OF THE COIN

In keeping with his ideas for modernising the British Monarchy's image, Edward was determined that his coinage would reflect a modern outlook.

He personally encouraged the introduction of new designs for the reverse of a number of coins. Of a proposed set showing 'Royal' wildlife — stag, eagle, sturgeon, swan, dove and wren — only the wren was eventually adopted. It appears on the farthing of this legendary £250,000 set.

A 'SECRET' FOR 36 YEARS

New coinage for Edward VIII was to be issued in the United Kingdom at the beginning of 1937. But as the King abdicated in December 1936, Edward VIII coins were never issued. For the first time during the reign of a British monarch no coins were issued. British coins had until then the distinction of being the longest continuously issued series of coinage in the world.

Although the final designs had been approved and coins struck, none were issued. Not even the world-famous British Museum Collection has a set of Edward VIII coins. It has only plaster casts of the coins.

The former King never possessed a set of his own coins. His Royal Highness The Duke of Windsor made great efforts to obtain a set of his own coins but was never able to acquire more than one coin for which he paid approximately £300 in 1954.

The only known sets are:

1. In H.M. The Queen's Collection at Windsor.
2. At the Royal Mint in London.
3. In a Private Collection in the U.S.A. which will be donated to a museum.

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Advertising and Masius and JWT neck and neck

BY MICHAEL THOMPSON-NOEL

THE ABSORBING if slightly surreal agency numbers game has taken a fresh turn with the news that Masius Wynne-Williams has captured the lion's share of British Rail's 1978 advertising account—expected to be worth a total of around £3.25m.

Masius will handle the £1.5m Inter-City account and could now be well on the way to overtaking J. Walter Thompson as Britain's biggest advertising agency by value of billings.

Neither Masius nor JWT were sufficiently unswayed yesterday to lay an undiplomatic claim to the No. 1 spot. But it is clear that by the end of the year their billings will be running neck and neck.

Other slices of the British Rail business go to Saatchi and Saatchi, Gland-Compton, which is to handle the £500,000 South East campaign, and to Londestale Osborne, which in addition to the £750,000 Scania ad campaign has already handed in to take on a £200,000 BR corporate campaign starting later this year.

The mood in the Masius Boardroom when it heard it had won Inter-City was one of appropriate jubilation. Last year Masius's total billings were a little over £60m.

John Lindsey-Bethune, JWT managing director, said last night that J. Walter Thompson London would certainly handle £300-plus worth of billings in calendar 1977, and that he would be quite unsurprised if the figure reached £55m. The value of the JWT Group's total billings, including subsidiaries but excluding research, would be well over £60m.

Rail rediscovers its get-up-and-go

BY IAN HARGREAVES

MR. PETER PARKER, the British Rail chairman, is fond of saying that for the railways every day, with its 18,000 passenger trains, is an open day.

He usually advances the idea to scotch the suggestion that the British Rail is suffering from a nationalised industry disease of remoteness from its customers. But this conclusion, although it has clear practical advantages in matters such as point of sale advertising, also creates problems.

Worst of these is the fact that the passenger's image of the rail, which is grounded in his own immediate experience of the service, it doesn't matter a whistle for the commuter who has put up with overcrowded, unreliable trains every day for years that air-conditioned expresses are slashing the journey time between Paddington and Newport. As far as he is concerned, British Rail is outdated, inefficient and ripe for further Government castigation.

This would not matter so much if the grumbles of the long-suffering commuter, fanned by a London evening Press uniformly hostile to British Rail, were an isolated thing. But the commuter remembers that the southern Home Counties, which have no modern stock, form its prime catchment area for Inter-City services.

This unevenness of service quality is one of the biggest problems facing British Rail's new advertising agencies. It precludes top-brass and self-confident approach and means that national promotions must concentrate on vague re-assurances of speed, reliability and comfort rather than top-specific promises.

In spite of this ready-made, almost music-hall standard "bad image" (think of a British Rail sandwich), railways do in fact attract a high degree of unshakeable public goodwill. There is a genuine national mentality about rail, perhaps something to do with the fact that behind at least every second morning paper on the Brighton commuter line sits a former train spouter or Hornby Double-O chief engineer. And when it comes to gadgetry, railways retain the appeal of florid Victorian engineering while offering the modernist, streamlined, wedge-nosed 25 mph High Speed Train the fastest diesel in the world.

The new push on advertising and marketing, associated with the change of agencies, but evidenced earlier in Mr. Parker's creation of a Board member for marketing and in the hiring of Mr. William Camp's public relations expertise, will attempt to cash in on this picture of technological advance. At a time when the future of the motor-car, rail's more positive public image, doubts about energy and the very much a signal that British Rail is now about to come out faster and sharper. And it.

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Navy for Y and R

YOUNG AND RUBICAM has this summer on a major push for the £750,000 Ministry of Defence extensive commercial radio campaign for the Royal Navy, while Freeman Mathews and Milne is to handle Department of Employment campaigns, worth approximately £250,000 last year.

The announcements follow competitive presentations recommended by the independent Advisory Committee on Advertising and Y and R won the Royal Navy account against C. Vernon. The account covers recruitment for both Royal Navy officers and ratings, Royal Marines and WRNS, and was previously split between Vernons and KMP.

Competing for the Department of Employment account were Savard Baker Advertising, Ogilvy Benson and Mather, and Freeman Mathews. Campaigns this year will include the search for firm employment subsidy, Wage Council legislation and other related subjects.

Schweppes, the UK's largest soft drinks and mixer company, is spending more than £500,000 this year.

Hospital peace bid fails

By Nick Garnett, Labour Staff

TALKS YESTERDAY between health administrators and the National Union of Public Employees failed to settle the dispute involving hospital ancillary staff which has severely disrupted health services in east London.

Six hospitals are now affected as a result of industrial action by 1,900 cleaners, laundry workers, porters, domestics and catering staff in the Tower Hamlets health district.

London Hospital's Whitechapel and Mile End buildings, together with the London Jewish Hospital, Bethnal Green and the Midland Mission are refusing all admissions, including emergency cases.

Admissions are being handled by hospitals outside the district. Patients are being discharged early in some cases before non-essential surgery.

The work to rule and ban an overtime, which started last Monday, is in support of a claim for overtime payments which go back to 1964.

The union says the payments must be based on current pay rates but the Department of Health has forbidden the health district to make payments unless based on the old wage rates. But at least six have been settled on the basis of pay scales above these, admit health administrators.

Mr. Bill Curtis, strike committee secretary, said yesterday that the strikers were "very disappointed". But there would be no more picketing this week for fear of antagonising other EPTU members. Picketing at Epsom steelworks near Newport, Gwent, had also been stopped.

The Electrical and Plumbing Trades Union, to which the strikers belong, has refused to make the strike official. National and regional officers will appeal again for a return to work when they address the mass meeting.

Darlington journalists called out

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

JOURNALISTS at North of England Newspapers have been called out on strike from tomorrow following the appointment of a non-union journalist, Mrs. Josephine Smith, some weeks ago.

The newspapers involved, part of the Westminster Press group, are the Northern Echo and Evening Dispatch at Darlington, the Times Daily and Stockton Weekly, and the Durham Advertiser weekly series.

Mrs. Smith, a former NUJ member, declined an invitation to rejoin. The journalists had asked the union to call for an end to a declaration of 100 per cent post-entry membership. They will be paid £30 a week strike pay.

There are 18 non-union journalists who have been working in the group since before the declaration last year.

The Institute supports the principle of employee participation in company decision making but does not support the Bullock Report's proposals because it feels that companies ought to be free to develop their own methods based on consultations with all employees, not just trade union members.

Chloride sit-in

CONVENORS of a strike by more than 4,500 workers in the automotive division of Chloride Corp said yesterday that their sit-in against the management had reached "total deadlock". They were preparing for a prolonged sit-in at both main works in Manchester and Dagenham.

LABOUR NEWS

Iron and steel union backs further pay controls

BY ALAN PIKE, LABOUR STAFF

THE IRON AND STEEL Trades Confederation agreed yesterday to support a further phase of pay policy, provided it contained adequate arrangements for improving productivity and overcoming anomalies.

After a lengthy debate which suggested a closer link between productivity and pay, delegates responded to a call from Mr. Bill Sims, the general secretary, and agreed by 101 votes to 15 to support an order to return to free collective bargaining.

The successful resolution urges the executive to press for a "greater degree of flexibility" in any future pay guidelines.

Mr. Sims, for the executive, said that as no one knew at this stage what future pay guidelines might contain it would be illogical to reject them in advance.

The union would look for a pilot in the next 12 months to let the steel industry raise productivity and resolve anomalies in such things as shift premiums.

If the eventual policy after discussion between Government and UCU was not flexible enough to tackle the industry's problems, the executive could think again about whether it would support Phase 3.

An immediate return to free collective bargaining, by normal economic yardsticks, would mean a "nil increase" for many steelworkers. The two years' pay policy was a fleeting moment compared with years of industrial decline, which the social contract was trying to overcome.

Convincing support for a third phase of pay policy from a solid industrial union like the ISTE must be heartening to the Government and pay controls continuing after the summer said that the Government faced certain defeat if it continued its present policies. The unions would not exploit a return to free bargaining by fighting for more than industry could afford.

No agreement on airline pay claim

BY PAULINE CLARK, LABOUR STAFF

ENGINEERING shop stewards and British Airways management appeared to have failed to reach agreement in talks yesterday over a shift pay claim. More discussions within the engineers' national wages sub-committee are expected this morning before shop stewards address a mass engineers meeting later today.

Mr. Tony Crane, a shop steward, said progress had been made, but the offer was too low.

Peace hawks in the Executive Dispute Panel, which is slightly behind, when "substantial progress" was made following talks between Mr. Albert Booth, Employment Secretary, and both sides. Terms of reference were agreed, but details for a court of inquiry have still to be settled.

Port Talbot strikers withdraw pickets

BY PAULINE CLARK, LABOUR STAFF

PROSPECTS FOR a return to work next week at Port Talbot seemed a shade brighter yesterday after striking electricians withdrew pickets from two tinplate plants because of lack of support.

A decision by electricians at the Velindre and Trostre works not to observe the picket lines was the second major setback for the Port Talbot strikers this week. On Monday they failed to persuade dockers at Swansea to withdraw pickets from a tinplate plant because of lack of support.

The 560 strikers, who have been out for more than five months in a dispute with British Steel Corporation management

Trial urged for industrial democracy

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A SEVEN-YEAR experimental period of legislation on industrial democracy during which all large companies would be expected to try out some form of Board representation, has been suggested to the Government by the Industrial Society.

Under the plan, the law would also be changed to make companies take the interests of their employees as well as their shareholders into account. Participation committees would be set up in medium-sized and large companies.

The Industrial Society, which includes both employers and trade unions among its membership, is the latest of a series of organisations to present possible legislative packages to the Government.

Last week the Right-wing Labour Manifesto Group and the 1972 Industry Group of industrialists put forward their ideas for legislation which, while providing for worker participation, would not go so far as the full Bullock Report, published earlier this year.

The Industrial Society's ideas are based on three principles including one which adopts a

Price cuts will bring decline, airlines are warned

BY ROBERT MANTHNER

PARIS, June 1.

MR. KNUT HAMMARSKJOLD, Director-General of the International Air Transport Association, warned in Paris today that if the financial situation of the world's airlines did not improve quickly it would lead to an inevitable decline in the services offered to clients.

Speaking on the second day of the Financial Times World Aerospace in 1977 Conference here, Mr. Hammarskjold said that the uncontrollable price war between scheduled and supplemental charter operators had plunged everyone's fields to uneconomic levels.

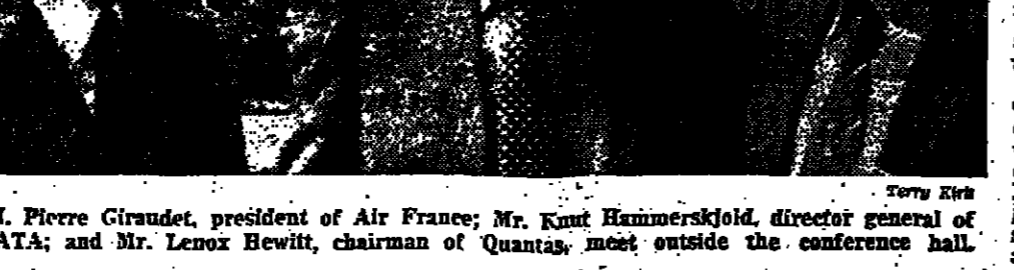
Airlines had compounded their own financial problems by under-cutting and rebating in a fight to maintain or to increase their market shares and fill their aircraft.

The result had been a massive short-fall from target earnings—in the past five years more than \$7bn. on IATA scheduled international services alone, a situation paralleled by non-IATA carriers. The modest financial improvement in earnings in 1976 did not provide any ground for euphoria. Target revenue had still not been achieved and cumulative shortfalls continued to build up.

Mr. Hammarskjold said he was convinced that there was only one way to escape from the Scylla of declining profitability and the Charybdis of increasing

on existing scheduled services. Both these measures would be immediately endorsed by virtually every nation in the world, except, ironically, the U.S., which was currently putting particular emphasis on energy-saving.

The serious situation on the world airline market, resulting from a sharp fall in the growth of traffic since the 1973 energy crisis, was also underlined by M. Pierre Giraudet, the chairman of Air France, the French national airline. The increasing proportion of tourist traffic—in the past five years this element had risen to about 50 per cent of total demand—had led to a proliferation of special low fares, which had undermined the stan-



M. Pierre Giraudet, president of Air France; Mr. Knut Hammarskjold, director general of IATA; and Mr. Lenox Hewitt, chairman of Qantas, meet outside the conference hall.

cutting and rebating in a fight to maintain or to increase their market shares and fill their aircraft.

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COMPANY NOTICES

JARDINE, MATHESON AND CO., LIMITED

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of Jardine, Matheson and Co., Limited. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

STEVENS AND LLOYDS OF SOUTH AFRICA LIMITED

The Directors have declared a dividend for the year ended 31st December 1976 of 7 1/2 per cent on the ordinary shares of 100/- each, payable on 15th June 1977. The dividend is payable to the registered shareholders of the company at the close of business on 15th June 1977.

PREFERENCE DIVIDEND

The Directors have declared a dividend for the year ended 31st December 1976 of 10 per cent on the preference shares of 100/- each, payable on 15th June 1977. The dividend is payable to the registered shareholders of the company at the close of business on 15th June 1977.

BRITISH STEELING LIMITED

The Directors have declared a dividend for the year ended 31st December 1976 of 10 per cent on the ordinary shares of 100/- each, payable on 15th June 1977. The dividend is payable to the registered shareholders of the company at the close of business on 15th June 1977.

GAIS PER IL MEZZOGIORNO S.p.A.

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of Gais per il Mezzogiorno S.p.A. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

S. G. WARBURG & CO. LTD.

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of S. G. Warburg & Co. Ltd. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

TRANSVAAL CONSOLIDATED LAND AND MINING CORPORATION

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of Transvaal Consolidated Land and Mining Corporation. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

PAYMENT OF COUPON No. 78

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of the company. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

FIELD FISHER & MARTINEAU

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of Field Fisher & Martineau. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

U.K. CURRENCY UNIT TRUST

NOTICE IS HEREBY GIVEN that the Registrar of Companies of the United Kingdom has approved the proposed amendments to the Memorandum and Articles of Association of the U.K. Currency Unit Trust. The proposed amendments are available for inspection at the Registrar's Office, 25 Abchurch Lane, London EC4N 3DF, from 10.30 a.m. to 4.00 p.m. on 16th June 1977.

AMOUNT OF DIVIDEND DECLARED

Shareholder	Amount
Mr. A. B. Smith	10.00
Mr. C. D. Jones	15.00
Mr. E. F. Brown	20.00

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Phase Three questions

THE GLOOMINESS of the National Institute's latest forecast is due mainly to greater uncertainty about the prospects of a satisfactory agreement being reached between Government and trade unions about a further phase of voluntary wage restraint.

President Carter's line to Cuba

IN HIS major foreign policy speech in Indiana last week, President Carter made two points which may have seemed hard to reconcile. On the one hand, he said, the U.S. was now free of "that inordinate fear of communism" which had once led it to embrace any dictator who shared the fear.

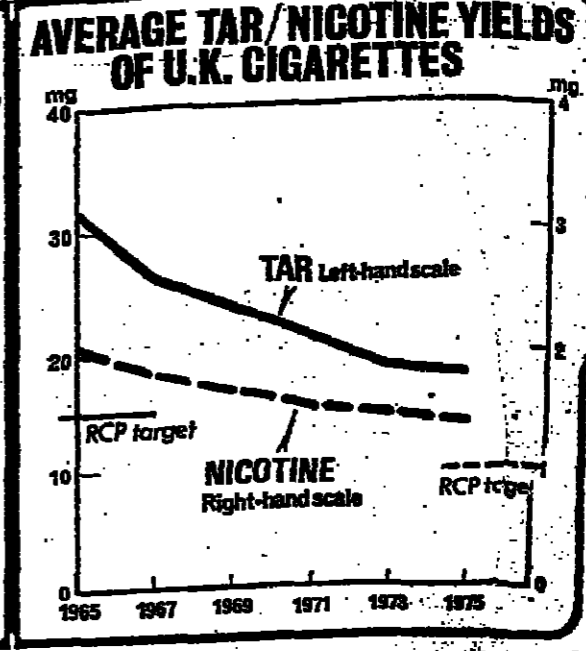
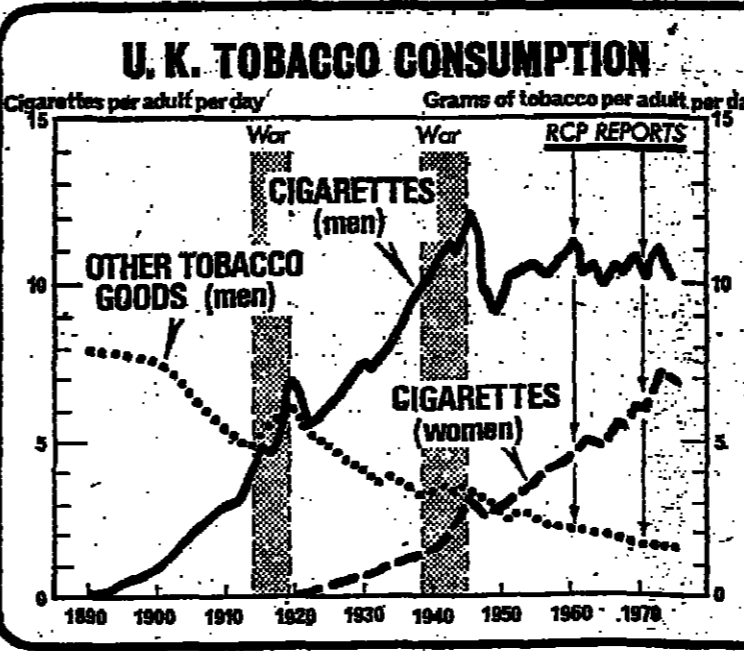
The third report by the Royal College of Physicians on smoking and health is highly critical of the failure of smokers to heed doctors' earlier warnings and impatient of lack of Government action in reducing the incidence of tobacco-induced disease. DAVID FISHLOCK, Science Editor, reports.

Smoking: a self-inflicted wound

MUCH OF the dispute about whether smoking causes particular illnesses centres on questions of errors of diagnosis, and there is little room for error in the diagnosis of death. This ominous observation sums up how our doctors and medical scientists see those who still will not accept the evidence that "smoking can damage your health."

The doctors are deeply perturbed by the self-inflicted wounds of cigarette smoking. A society able at times to work up a high pitch of public hysteria about the toxic and carcinogenic potential of plastics, food preservatives, hair dyes or nuclear industry activities is apparently unwilling to take any serious action against the toxic and carcinogenic realities of tobacco.

Particularly ironic is the way so much ill-health, ask the doctors the medical profession itself torts? It has been suggested that



So the doctors look carefully at the underlying attractions of smoking, and come to the conclusion that nicotine—present at levels of 1 to 3 per cent. in most tobaccos—is the root of the habit. Although only one of about 1,000 chemical substances isolated from tobacco, it is a powerful drug. A small cigarette contains enough to kill if injected intravenously.

The doctors are unequivocal on the point that tobacco smoking is a form of drug dependence, "different from but no less strong than that of other addictive drugs." It is seldom a take-it-or-leave-it activity; they say. Unlike most people who drink or take sleeping pills, only 2 per cent of smokers are intermittent or occasional consumers of nicotine.

Smoking, the report acknowledges, is a remarkably efficient way of administering nicotine. Its vapour is drawn straight into the lungs, thence into the blood stream, and on to the brain. The smoker himself exercises complete and easy control over the level built up in his blood. A true withdrawal syndrome can be obtained in animals.

But into the lungs with the nicotine go the 1,000 other chemicals, many of which condense as a tar with demonstrable powers for causing cancer, and carbon monoxide, a toxic gas because of its ability to inactivate red blood cells, of which up to 5 per cent is present in the gas inhaled from cigarettes.

Smoking Material (NSM), the ICI-Imperial Tobacco joint venture, or Cyrel (Gallaher and Rothmans). It admits that medical science still does not know which specific chemicals in tobacco cause the diseases, only that "most smoking-related cancers are probably caused by carcinogenic substances in the 'tar' fraction of the smoke." So it cannot specify precisely which should be reduced to lessen the risk.

The report acknowledges that, as and when the Hunter Committee—charged with defining the terms under which tobacco substitutes shall be put on the market—gives its assent, the Government agrees, the materials will be used to replace some of the natural tobacco. In other words, they will be used to dilute it. The assumption is that their smoke will produce less and more weakly carcinogenic tar, no nicotine, and will be "slightly less" irritating than tobacco smoke. But it warns that they may have other toxic properties, either intrinsically or when mixed with tobacco.

The doctors display more than a touch of asperity in their third report at the failure of cigarette smokers to heed their warnings and impatience with the Government for failing to take vigorous action to reduce the incidence of tobacco-induced disease. This is reflected, for instance, in critical comparisons of Britain with the dozen or so countries which have already banned all advertising of tobacco; and the still more numerous nations which make better provision than Britain for non-smokers in public places. It is certainly reflected throughout the report's list of "recommendations for action."

One of the most controversial of these recommendations calls for a ban on sales of cigarettes yielding more than 15 milligrams of tar and more than 1 milligram nicotine. As the graphs show, these levels fall well below the average tar/nicotine yields of brands marketed in Britain to-day. Britain's 10 best-selling cigarette brands range from Benson and not be able to raise the reverse Hedges Special Filter with a in another way.



Sir Cyril Clarke: Past president of the Royal College of Physicians and chairman of the committee on smoking and health.

MEN AND MATTERS

Fraser v. Whitlam... in London

Australian Prime Minister Malcolm Fraser got yesterday to business in London yesterday, holding talks with Denis Healey before discussing bilateral cooperation in uranium and associated nuclear matters with Anthony Wedgwood Benn.

The presence of both men at the same time could well provide political sparks. For Whitlam is coming to mark the forthcoming publication, by Heinemann, of a new book called Labour and the Constitution 1972-75, which examines in detail the events which led up to the controversial dismissal of the Labour government by Governor-General Sir John Kerr.

As it happened Fraser had a roundabout sort of answer to hand, which, incidentally, managed to contain a side-swipe at Whitlam. "In the first 12 months of my administration," he said, "I have been abroad 51 days. Whitlam was abroad for 86 days in the comparable period while his ministers made 70 foreign trips totalling over 1,000 days compared with 574 by present government ministers." Useful figures to have casually lying to hand.

Problems? The recent proposal by Dr David Owen, the Foreign Secretary, that the Nine should consider means of excluding "non-democratic" countries from membership of the EEC has caused a certain amount of

puzzlement among Britain's European partners. Owen's idea is not only to keep out politically unsuitable applicants but also to eject existing members, if they stray from the paths of democracy.

But the problem is, what standards of judgment should be used? After all, some old Common Market hands recall, there were those who questioned at the time whether General De Gaulle's original design for the Fifth French Republic was truly democratic. And what about the British violations of human rights in Northern Ireland, recently condemned by the European Court of Justice in Strasbourg?

On learning of the proposal, one normally friendly European diplomat was heard to muse cynically: "So that's how they intend to get Britain out of the Common Market."

Richards' rise The accountancy profession is beginning to look beyond the immediate and confusing business of inflation accounting to a celebratory 1980. The Institute of Chartered Accountants will be 100 years old then, and the institute president that year, barring the unforeseen, will be David Richards.

He is an interesting choice because only last year, Richards resigned from one of the profession's key committees, a re-percussion of the London and County Securities affair. Richards is now a senior partner in Deloitte and Co., and has been a partner in the absorbed firm of Harwood Banner, auditors to L. and C. To the general consternation of accountants, Harwood was sharply criticised by Department of Trade inspectors for signing unqualified audit accounts on the secondary banking group.

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Observer

More work to less effect

UNEMPLOYMENT IS the Government's Number One domestic problem. But the behaviour of unemployment has also come as a surprise—and a pleasant one at that—both to the Government's advisers and to outside economic forecasters.

Unemployment is still very high by past standards; 13.2m. or 5.7 per cent, and is expected to rise by more than 200,000 with the bulge of school-leavers in July or August. Nevertheless, when the Budget forecasts were prepared early in March, the underlying seasonally adjusted adult trend was expected to be strongly improved. Instead, the trend has been only slightly downwards, suggesting most having fallen by over 20,000 between January and May. There could well be a deterioration later, and the five months in the year already has fallen most precipitously since the labour market.

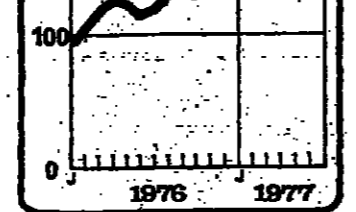
Basically, the reason for this is that the economy has been growing faster than expected. The rate of growth in the first quarter was 2.3 per cent, compared with 1.8 per cent in 1976. This is a significant improvement, and it is likely to be maintained in the second quarter.

There are a number of reasons for this. One is that the economy has been growing faster than expected. Another is that the labour market has been improving. This is due to a number of factors, including a decline in the number of people leaving employment, and a rise in the number of people entering it.

official slow growth forecast. So is consumer spending which has been revised downwards.

There may have been an improvement in the second quarter for which there is so far a dearth of figures. Leading export houses have reported good returns and the CBI investment forecasts remain extremely optimistic in forecasting a turnaround in the months to come.

It has also been suggested by Mr. Walter Eltis of Lincoln College, Oxford, that there has been an upsurge of service activities such as tourism, which are hardly and imperfectly incorporated in the short term indicators.



reporting too few orders as the limiting factor has fallen in the period from 85 per cent to 71 per cent.

The turnaround in the labour market is even more puzzling because, on the available statistics, it does not rest on a better-than-expected growth of output. The preliminary GDP figures for the first quarter, based largely on industrial production, are in line with the

The NIESR attributes the slowdown of productivity to the severity of the last recession, the long-term decline of the investment rate and the measures to create employment. To this there should be added measures such as the Employment Protection Act and the disincentives to productivity embodied in cost plus price control and rigid pay ceilings. Indeed, the productivity charts are appropriately placed at the end of the D.E. Gazette where they ought to bear the label "All Our Own Work" for the Department has been the keen-

est supporter of the policies in rising by 20 per cent by the middle of next year. The last result is most likely to be obtained by persisting with a Stage Three agreement with built-in flexibility on top of a numerical norm—in the spirit of "a piece of paper is better than none."

The 15 per cent would probably occur under a so-called free-for-all; the 10 per cent is unobtainable after our recent labour market, as well as by reducing productivity and efficiency? Until the incomes policy side investigates these questions, instead of just saying how it would be if pay rose, the rate of inflation. If any-thing, the NIESR underestimates the effects of rapidly

rising money wages under a regime of monetary restraint. By attributing to market economists' ignorance of these elementary points (to establish which in fact they had to argue in the desert) and refusing to tackle their actual arguments, the exponents of incomes policy gain an easy victory among the already converted to no purpose whatever.

The first real question is whether taking a run of years—and not just asking critics "what would you do next October?"—pay controls really do restrain wages. The question is about real world pay controls, not controls just as imaginary models, which the Calbraithians waste their time knocking down. The second question is whether pay control is not merely irrelevant, but harmful in applying rigid rules to all, irrespective of other market pressures or industrial power. Both evidence and logic suggest that although a rigid limit for all can work in an emergency, there is no such thing as flexible ceilings. Thirdly, how much extra harm is done by policies to buy TUC support for pay guidelines, both through more inflationary general policies and—much more important—through detailed industrial and social policies, which however well meant raise rather than reduce unemployment by obstructing rather than improving the functioning of the labour market, as well as by reducing productivity and efficiency? Until the incomes policy side investigates these questions, instead of just saying how it would be if pay rose, the rate of inflation. If any-thing, the NIESR underestimates the effects of rapidly

LABOUR TURNOVER IN MANUFACTURING

Month	Engagements in Month		Discharges in Month	
	1974	1975	1974	1975
March	NA	2.0	1.7	NA
June	NA	1.7	2.1	NA
September	3.4	2.5	2.5	3.9
December	2.3	1.4	1.8	2.7

Source: Two back numbers of D.E. Gazette at irregular intervals

Overstated earnings

From Mr. P. Beauchamp

Sir—Human nature being what it is, finance directors of many companies will use the flexibility permitted under Exposure Draft 19 (May 25) to abandon deferred tax provisions in profit and loss accounts and thus boost earnings per share. This is a deliberate attempt to mislead investors and is a gross abuse of the accounting profession's position to influence the Institute should be asking themselves whether it produces a truer, fairer or more accurate picture of companies' operating performance and dividend-paying potential than the treatment applied hitherto.

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Letters to the Editor

seems no reason why investors should accept such meagre current returns over any protracted period.

It is difficult to avoid the conclusion that the borrower is king and the investor is being taken for a ride. Financially this seems to be a fact, and it is not a criticism of societies since they merely react, perhaps somewhat belatedly, to trends. Which side would you rather be on Mr. Corstorphine, the borrowers or the lenders?

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Covered Area: a million square feet.
Shopping Frontage: over 1,500 yards.
75 shopping units and 7 major stores.

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COMPANY NEWS + COMMENT

Better second half for Charringtons

AFTER ONLY a marginal improvement in the first half from £1.48m. to £1.5m. pre-tax profits of Charringtons Industrial Holdings finished the year to March 31, 1977, ahead from £3.1m. to £4.17m. Sales expanded by £20m. to £170.19m.

With lower tax of £1.23m. compared with £1.55m. earnings are shown to be up from 4.2p to 7.86p per 25p share and the dividend is lifted from 3.86p to 3.14p net with a final of 2.14p.

The tax charge is lower than normal because the provision for deferred tax in respect of stock depreciation relief has been maintained at the 1976 level and no further transfer from the profit and loss account has been made this year.

If a full provision for deferred tax had been made earnings per share would have been 3.72p.

Company	Page	Col.	Company	Page	Col.
Bankers Investment	26	1	Helene London	27	4
Bright (John)	25	4	Howden-Stuart Plans	26	7
Brook St. Bureau	24	4	ICL Options	26	6
BSG International	26	4	Lesney Products	25	1
Carless Capel	22	2	London Intercontinental	24	5
Charringtons Indust.	22	1	Mallinson Denny	27	1
Coats Patons	24	4	Mountview Estates	27	5
Dawson (James)	22	5	North British Steel	24	8
Dennis (James H.)	24	6	Private Patients Plan	24	5
East Midlands Allied	24	7	Reliant Motor	27	2
Glossop (W. & J.)	22	4	Sainsbury (J.)	25	2
Gough Brothers	25	4	Save & Prosper	22	3
Harcos Investment	26	2	Turnbull Scott	25	3

Sales 170,190,000
Trading profit 1,500,000
Interest, etc. 1,350,000
Depreciation 1,350,000
Income tax 4,200,000
Profit before tax 1,250,000
Tax 1,230,000
Retained 20,000

A breakdown of sales and trading profit shows: Solid fuel distribution £40.15m. (£39.79m. in 1976), fuel oil distribution £94.03m. (£53.17m. in 1976), £1.21m. (£1.09m.), building merchant £13.71m. (£12.91m.) and £0.66m. (£0.51m.), automotive distribution £25.59m. (£21.24m.), £0.17m. (£0.24m.), vehicle building and engineering £7.61m. (£7.29m.) and £0.31m. (£0.23m.), warehousing, transport and shipping services £12.5m. (£11.59m.) and £0.85m. (£0.73m.) plus associated company profit £31,000 (£25,000), wool production £2.44m. (£2.01m.) and £0.37m. (£0.21m.) plus associated company wool processing profit £0.11m. (£0.00m.) and computer services and property £0.51m. (£0.18m.) and £119,000 (£25,000).

£0.6m. rise at Carless Capel

THE PREDICTED profit improvement at Carless, Capel and Leonard turns out to be from £2.39m. to £2.95m. pre-tax for the year to March 31, 1977 after £1.55m. compared with £1.21m. at half-time.

Year-end earnings per 10p share are 3.9p, against 3p adjusted for the one-for-one scrip and the net dividend of 0.495p lifts the total from 0.73p to 0.825p.

The group's properties were revalued at March 31, 1977 on the basis of open market value or depreciated replacement cost, as applicable. This valuation totalled £389,630 resulting in an overall deficit of £339,787 on net book values.

It has been deemed prudent not to recognise in the accounts any surplus on revaluation but to recognise the deficit of £388,000 on properties held by the company. This amount, reduced by the release of the relevant deferred tax provision for chargeable gains, now no longer required (£116,000), has been charged against reserves.

comment
The cold winter, especially in the North, gave a fillip to the vital last quarter results of Charringtons. Profits from the fuel divisions, which had been well down after nine months, recovered completely and their total contribution for the year is barely changed. Meanwhile the other activities improved their performance, especially the wool production side which benefited from the higher prices. However, the group still has a long way to go before it is regarded as anything other than a steady income producer. And after a fairly good run, the shares at 43 1/2p have limited potential. The yield of 11.2 per cent. is covered 2.3 times by stated earnings or 1.8 times on a full tax charge.

1976-77	1975-76
Turnover	187,274
Pre-tax profit	2,966
Income tax	1,412
Extraordinary dividend	28
Attributable	1,526

comment
Sedgwick Forbes, which specialises in arranging insurances for the power-generating industry, has been appointed in

insurance consultants and placing brokers to the Dubai Electricity Company. Local services will be provided by Sedgwick Forbes through its own organisation in the Middle East.

A new branch of Sedgwick Forbes Middle East has been opened in Dubai and the local manager is Mr. M. J. Purvold.

Save & Prosper loss on U.S. subsidiary

The extent of Save and Prosper's problems with its U.S. subsidiary, Investment Annuity Inc., shows up in the latest report and accounts from this, the largest unit trust group in the U.K.

The investment at cost of £3.54m. in Investment Annuity Inc. shows up in the latest report and this has been set as an extraordinary item against the group pre-tax profit of £3m. for the 15-month period to end 1976. Total extraordinary items amount to £3.31m. making the net loss for the period £0.6m. against the previous year's profits of £674,000.

Investment Annuity's operating company, First Investment Annuity Company of America (FIAC), expanded its business sharply in 1976 with total

premiums rising to \$140m. against \$83m. in 1975. This inspired the company to raise its holding in the company in February 1976. But in the second half of the year the U.S. Internal Revenue Service issued a new ruling reversing the previous tax status of its best selling product. Consequently no new business has been written since the ruling.

Glossop turns in £734,000

IN THE second half, public works contractor W. and J. Glossop increased its profit margin by streamlining its operations and introducing modern management techniques.

And in the event it almost managed to hit its first-half profit target of £734,700 for the year ended January 31, 1977, against £630,482.

Chairman Mr. Digby Burnell says turnover showed a marginal increase over the year, but reduced Government expenditure on road building and maintenance became more apparent in the second half, resulting in a marked effect on turnover.

While trading conditions continued to prove difficult, and despite the sensitivity to Government and climatic conditions to which the industry is subject, he is confident that the company will continue to increase its efficiency and profitable growth.

Earnings per 25p share are shown at 2.24p (2.24p). It is stressed that they are not comparable as no deferred tax has been provided in 1976-77. The final dividend is 2.153p for a net total of 3.436p (3.063p).

1976-77	1975-76
Turnover	10,727
Profit before tax	734,700
Income tax	223,790
Profit	510,910
Extraordinary debit	409,200
Dividends	136,424
Retained	374,486

comment
Against a background of declining activity in the road surfacing sector, Glossop's full-year profit—up 16 per cent—pre-tax—looks quite good. But the going could get tougher in the current year in 1976-77. Government spending on road maintenance fell by £5m. to £61m. in 1977-78 it is expected to drop to around £52m. Last year the group was able to offset the effects of this by reducing overheads with a general tightening-up operation but whether there are enough benefits to make up for the volume downturn this year must be doubted. The balance sheet must still be quite strong—the 1975-76 accounts had a net cash balance of £44,000—but the shares at 49p on a p of 4.9 and yield of 11.3 per cent. have little else in their favour at present.

ISSUE NEWS AND COMMENT

Allied Retailers £0.9m. rights offer

Allied Retailers has entered into a conditional agreement to purchase four properties which it rents from Greenhill Securities for £855,000. Allied intends to fund this purchase principally through a rights issue on the basis of one-for-ten at 110p per share, which will raise £705,500.

Mr. H. Plotnik and Mr. L. P. Fisher, directors of Allied are also directors and shareholders of Greenhill. For shareholders the acquisition of Greenhill is subject to shareholders approval at an AGM on June 30.

The Board of Allied are forecasting that after transferring £800,000 to unutilised gross profit reserve, the profit for the year to April 2, 1977, will be approximately £3.63m. (£3.2m. Treasury consent has been obtained to pay a final dividend of 9.23p gross per share making a total of 12p, or £1.48m. net on the current rate of tax.

It is expected that dealings will start on June 31. The issue is underwritten by Slinger and Friedlander and brokers are J. and A. Scrimgeour and Chambers and Remington.

comment
Allied is going to purchase the four properties it rents for £1,025,500 a year from Greenhill in a company which shares similar directors to Allied) for £855,000. The full value of current use given by valuers Edward Erdman.

Fluidrive's 1-for-4

Fluidrive Engineering is raising £227,000 by a rights issue of 227,000 shares at the basis of one-for-four at 95p per share. Proceeds of the issue will be used to finance new machinery and product development.

First half issues to March 31 show turnover of £37.2m. (£31.1m.) and an increase in pre-tax profits from £361,000 to £433,000. In the year to September 1976 Fluidrive made pre-tax profits of £787,000 on sales of £53.3m. The interim dividend is lifted from 0.7875p per share to 0.87p.

It is the Board's intention to pay a final dividend of 2.395p net making a total of 3.2825p net for the current year. This represents an increase of 20.1 per cent over the previous year, for which Treasury approval has been obtained.

In the current year Allen Bennett, a Sheffield based company making variable speed drives, has been acquired at a total cost including the injection of necessary working capital of approximately £200,000. In addition the Board anticipates spending around £400,000 this year on new equipment, and that there will be increased expenditure on product development, which last year cost £46,000.

The raising of capital will enable the impetus of the profits in the current year to be maintained.

DIVIDENDS ANNOUNCED

Company	Current payment	Date	Corre. spending	Total for year	Total last year
Alford	0.25	July 14	4.75	7.2	6.73
Bankers' Inv. Trst.	0.8	Aug. 31	1.10	2.3	2
John Bright Group	1.47	July 14	1.25	2.42	2.2
Northbrook	0.01	Aug. 5	50	120	125
Carless, Capel & Leonard	0.495	July 25	0.45*	0.83	0.73*
Charringtons Ind.	2.15	July 20	1.86	3.13	2.86
Clydesdale (Trusts)	7.51	Aug. 19	4	12	8
Jan. Dawson	3.61	July 25	3.17	4.87	4.42
East Midlands Allied	2.2	Aug. 12	1.54	2.68	2.6
James H. Dennis	1.26	July 22	1.26	2.53	2.53
W. & J. Glossop	2.15	July 19	1.9	3.44	3.06
Greenland Exp.	1.82	Aug. 19	1.82	2.8	2.8
Home Prop. London	1.25	July 25	1	1.25	1.21
Inch Kenneth Karang	1.63	—	0.88	2.28	1.21
Jersey Inv.	2.8	Aug. 4	1.6	1.6	1.6
Mountview Estates	0.73	Aug. 12	0.74	1.2	1.09
Petaling Tin	17.58	June 28	—	12.5	—
Sterling Trust	1.7	Aug. 1	1.4	—	4.65
Stirling Gold	1.11	Aug. 5	1.1	—	22
Trans-Natal Coal	10.1	Aug. 19	5	17	9.5
Turnbull Scott	5.12	June 29	5.12	9.12	9.12
West Rand Consol.	3	Aug. 5	5	—	10

* Dividends shown net of tax where appropriate. † Equivalent after allowing for scrip issue. ‡ On capital increased by rights and/or acquisition issues. § Final 1.2645p intended. ¶ Malaysian cents throughout. †† On 50p income shares. ††† South African cents throughout.

Albert Martin £0.5m.

Textile group Albert Martin (£Holdings) is proposing to raise £528,000 by way of a two-for-seven rights issue at 38p per 25p share. This will involve the issue of 1.4m. shares.

It is intended in the absence of unforeseen circumstances to recommend dividends for the current year ending December 1977 of 3.44p net, an increase of 2p per share. Treasury permission has been obtained.

The issue has been underwritten by Hazard Brothers.

Since 1972 Albert Martin has spent some £2.2m. on new factory space, improvements to existing buildings and new plant. This expenditure has been financed by internal cash flow and bank overdraft.

In order to maintain the company's growth the directors consider that a broader equity base is desirable, as it would offer increased flexibility when considering further capital expenditure and possible acquisitions.

The chairman in his last report stated that the current year had started well and that the present outlook was one of further growth, both at home and overseas. He now states that there is no reason to change this view.

Dealings in the new shares are expected to start on Friday, June 3. Brokers to the issue are Rowe and Pitman, Hurst-Brown.

Siemssen 1-for-5

Siemssen Hunter is proposing to raise £222,000 by way of a one-for-five rights issue at 25p each. The proceeds of the issue will be used to expand the existing £1.5m. shareholding and to pursue the company's policy of investing further in the areas of education and leisure publishing.

This expansion will take the form of additions to the present product range as well as investments in other businesses.

It is the company's intention to pay an increased dividend for the current year ending December 1977, of 2.75p net, an increase of 28.7 per cent. Treasury consent has been obtained.

On the current year's trading the Board states that the last quarter shows a satisfactory improvement over the corresponding period. The directors view the future with optimism.

The issue is underwritten by Close Brothers, brokers and Laurie Milbank. Dealings start on June 3.

WATTS BLAKE BEARNE

The rights issue to raise £1m. by Watts Blake Bearne has been taken up as to 98.2 per cent. of the issue. The balance has been held in escrow. The issue will be distributed to entitled shareholders except that no payment will be made for less than £1.

SAVE & PROSPER (JERSEY) COMMODITY FUND LIMITED

NOTICE IS HEREBY GIVEN that the first Annual General Meeting of Save & Prosper (Jersey) Commodity Fund Limited will be held in Jersey at 12 noon on 3rd June 1977. Subject to the passing of a Special Resolution at the Annual General Meeting, an Extraordinary General Meeting will be held at 12 noon on 20th June 1977. Both Meetings to be held at the Chamber of Commerce 19 Royal Square, St. Helier, Jersey, Channel Islands.

By Order of the Board,
Save & Prosper (Jersey) Limited
Secretaries.

	1976	1975
Group turnover	FF 000's 6,007,913	FF 000's 5,336,334
Total profit before taxation	429,275	332,527
Total profit after taxation	285,103	187,670
Profit after taxation and before extraordinary items, attributable to members of the Company	184,098	130,458
Extraordinary items	(14,505)	5,838
Profit after taxation and extraordinary items, attributable to members of the Company	169,593	136,296
Cash flow	618,835	565,554
Earnings per share before extraordinary items	FF 39.59	FF 28.06
Earnings per share after extraordinary items	FF 36.47	FF 29.31
Dividend per share	FF 11.18	FF 10.50
Tax credit	FF 5.59	FF 5.25
Total dividend	FF 16.77	FF 15.75

Salient points from the Report to Shareholders

- At FF 184.0 million, profits have increased by about 41% over 1975. This is principally due to:
 - the high level of activity of the Overseas operating group,
 - a much improved contribution for the cement operating group in France,
 - the large improvement of the operating groups: Sanitaryware, Packaging and Development and Diversification, which had shown losses of 22.5 million francs in 1975.
- The cash flow for the year (618.8 million francs) is 9.4% above 1975 (565.5 million francs).
- According to the anti-inflation guidelines of the French Government, the progression of the dividend — to be proposed to the annual shareholders' meeting — will be limited to 6.5% over 1975.
- For 1977, profits are expected in all the sectors of activity of the Group, falling any unforeseeable adverse circumstances.

Certain information required by The Stock Exchange to be made available may be inspected during usual business hours up to and including 23rd June, 1977, at the offices of Kleinwort Benson Limited, 34 Lime Street, London EC3M 7LX, from whom copies of the full Annual Report (both in English and French) may be obtained.

Lafarge 28, rue Emile Meisler, Paris-16e. Tel: 727 87 89. Telex: 62804 F.

By Order of the Joint Receivers of Brentford Nylons Ltd.
K. R. Cork, Esq., F.C.A. and J. D. Naylor, Esq., F.C.A.

BRENTFORD TOWER

Landmark for a Leader

Situated on the M4 between London Airport and the City Centre
A Multi-National Headquarters Building comprising
An Impressive Office Podium
with Industrial Warehouse & Showroom Space

147,500 sq. ft.

Roof top car parking for over 185 cars
For Sale Freehold or To Let

EDWARD SYMONS & PARTNERS
56 52 Wilton Road, London SW1V 1DH
Tel: 01-834 8454

Jas. Dawson latter half uplift

MANUFACTURERS of belting for industry and agriculture, James Dawson and Son, lifted pre-tax profits from £470,280 to £629,535 in the year ended March 31, 1977, on sales of £3.14m. against £2.74m. Stated earnings rose from 3.81p to 7.7p per 25p share.

At a dividend when profits were down from £275,815 to £197,145 on sales of £1.42m. (£1.46m.), the directors said that second-half sales could be considerably higher than the first half. Profits for the year ended March 31, 1977, and forecast maintenance of the dividend.

In the event the total is raised from 4.2p to 4.87p net with a final payment of 3.622p. The dividend will be paid on capital increased by the one-for-ten scrip issue made as compensation for the enlargement of the Preferred Ordinary capital.

1976-77	1975-76
Turnover	3,140,417
Trading profit	648,135
Investment income	66,405
Profit before tax	629,535
Income tax	247,000
Investment income	25,000
Deferred tax	25,000
Capital allowances	16,900
Net profit	316,735
Capital reserve, costs	15,424
Proposed dividend	30,000
Retained final	146,111
Dividend	99,193

First Talisman capital reconstruction

It is proposed to reconstruct the capital of First Talisman Investment Trust by reducing the nominal amount of each Ordinary share from 25p to 5p and by cancelling the share premium account.

This will release £1,382,716 of which £14,248 will be transferred to revenue account thereby eliminating the adverse balance, and the remainder to losses on investment and currency transactions account, thereby reducing the balance as shown in the accounts for 1976 from £1,383,033 to £18,586.

The Board considers that the reconstruction will better enable the company to raise new capital and pay dividends. Subject to the passing of appropriate resolution at an AGM on June 20, Court approval should be received towards the end of July.

BICC forms services company

BICC has formed a new company to be known as BICC Prescot Industries. The new company, which began trading on June 1, 1977, will take over the established activities of the services division at the BICC complex of factories at Prescot, Merseyside.

The new company will promote and extend its commercial potential in sub-contracting in

Journalists

Coats Patons earns doubled profits on world sales 26% higher



"...the level of profits achieved in the second half of 1976 should be sustained throughout 1977"

Mr. W. R. Henry

The following is the Review of the Chairman, Mr. W. R. Henry, circulated with the Report and Accounts of Coats Patons Limited, for the year ended 31st December 1976.

BOARD CHANGE

At the end of last year Mr. R. G. Laidlaw retired from the Board, whilst continuing in his executive appointments in U.S.A., which have been extended to cover supervision of the Company's Canadian interests.

STAFF

Your Company has employees in 36 countries, and the majority are citizens of countries other than the United Kingdom. We are therefore a foreign employer to most of our employees, and this inevitably creates special and personal problems: these can only be overcome with understanding and goodwill on all sides which, in large measure I am proud to say, exists. The results which are recorded in the Accounts reflect this and are a tribute to the individual and combined efforts of all our employees, both at home and abroad. On your behalf I thank them for the way in which they have made such a substantial contribution towards the successful results of 1976 and, as far as external circumstances allow, towards firmly securing the Company's future.

THE BUSINESS YEAR

1976 saw the continuation of the recovery of world trade as reflected by your Company, which started in the second half of 1975. In volume terms it was modest, and indeed, in respect of this major product group—thread—still left us some 10% behind our 1975 peak. Fortunately it was possible to improve trading margins almost everywhere, which is vital to the future prosperity of the Company particularly under inflationary conditions.

The 1976 cash flow—eliminating exchange difference, shows that the Company generated sufficient cash to provide £39,361,000 to meet the effect of inflation in working capital, £23,806,000 for fixed capital investment including acquisitions and, having reduced volume inventories by £5,459,000 through more efficient stock turnover, to meet the dividend with a residual surplus of £978,000.

At 31st December 1976 the Debt/Equity ratio was 1 to 4, which is a healthy situation, and enables us to finance further recovery in world trade and to seek viable growth wherever available.

The acquisitions referred to were the purchase by Coats & Clark Inc. U.S.A. of C. J. Bates & Son Inc. for £4,208,000, and the purchase of shares from Italian minority interests at a cost of £613,000. C. J. Bates is one of the leading manufacturers of knitting needles, crocheting hooks and knitting accessories in the U.S.A. We thus acquire a stake in a growing market and a base from which to expand into other hand haberdashery products and high quality yarns where our present position is weak.

Capital expenditure on fixed assets rose by some 50% over 1975 and will continue to rise for some time to come, with a strong element of expansion, particularly abroad. U.K. capital expenditure covers expansion and replacement for increased productivity which is essential if the U.K. textile industry is to survive as it must and will.

SALES AND PROFITS

An analysis of the movement in world sales between 1975 and 1976 is as follows:—

1975 Sales	£497,096,000
Add increase in volume	43,762,000
	540,858,000
Add price increases	51,696,000
	592,554,000
Add exchange gain	32,525,000
1976 Sales	£616,079,000

World volume increased on average by 9%, selling prices by 10% and, with an exchange gain arising from the weakness of Sterling, boosted sales by 28% and contributed to the significant improvement in profits and trading margins.

TRADING PROFITS

Trading profits rose by £33,818,000, or 75% to £78,076,000, including an exchange gain of £4,400,000. Margins improved from 9.1% to 12.7%.

PRE-TAX PROFITS

At £76,426,000, pre-tax profits more than doubled. The net interest charge dropped by £2,757,000 due to improved liquidity and to a lower average rate of interest paid of 8.1% as against 9.5% in 1975. The exceptionally large increase in profits of associated companies is almost entirely due to the profit of £1,313,000 produced in India as opposed to a loss of £450,000 in 1975.

TAXATION

The reflected rate of tax was a modest 42.8%. The improvement in U.K. profits enabled us to obtain tax relief from capital allowances and stock relief totalling £4,932,000, compared with a claw-back of stock relief of £1,751,000 in 1975. No provision is required for Advance Corporation Tax not immediately recoverable.

EARNINGS FOR ORDINARY SHAREHOLDERS

At £37,938,000, earnings were almost double those for 1975 after extraordinary losses of £629,000 (1975 gain, £522,000). The extraordinary loss of £629,000 comprises terminal charges on the cessation of industrial yarn production at Darlington, offset by a further gain on the liquidation of Coats Patons (Retail) Limited.

DIVIDEND

The recommended final dividend of 1.9778p per share, together with the interim of 1.0366p already paid, is the maximum permitted. The final dividend, plus tax credit at 35/68ths, amounts to 2.8889p per share. If the rate of tax credit for 1977/78 is reduced, a further distribution is recommended of such sum as is necessary to maintain the final dividend at 2.8889p per share, including tax credit.

Application was made to the Treasury for exemption from dividend controls, but we have been officially advised that it cannot be granted because we do not fulfil the necessary conditions.

HOME ACTIVITIES

Trading profits in the U.K., including exports, more than doubled but accounted for only 15% of the global increase in profits.

J. & P. COATS, LIMITED DIVISION

Profits increased by 18%, within which total thread profits were static while thread volume fell by 2% owing to the level of imported garments sold in the market. Fortunately there was an encouraging upswing in thread demand in the fourth quarter which has continued into the first quarter of 1977. Needle industries showed a substantial increase in profit from sewing and surgical needles for the second year running, fully justifying our investment programme. William Briggs' tapestry and embroidery packs consolidated the significant increase in profits achieved in 1975. Nottingham Handcraft, which supplies schools and hospitals, produced improved profits. The profits of Dynacast U.K., which markets diecast products, also increased significantly.

YARNS AND FABRICS DIVISION

1976 saw a dramatic improvement of almost £2,000,000 in industrial yarn profits compared with 1975, due to a market recovery fully exploited by Burnleys, and to the rationalisation of Patons' industrial yarn activities. Production of these yarns at Darlington ceased during the year, with attendant terminal losses.

In Fabrics, the overall situation did not improve, but opportunity was taken to complete the reorganisation of West Riding fabrics which should benefit future results. Fortunately Murgatroyd continued to make satisfactory profits in woven worsted cloth. Heydemann Shaw, merchants in tops, yarns and fabrics, produced an increased profit.

GARMENTS DIVISION

Jaeger had an excellent year, with turnover up by 25% and profits by 90%. The U.K. retail side was particularly buoyant, aided by the significant purchases made by tourists. Exports continue to grow satisfactorily particularly in North America, which is our main target area. Laird-Portch, which specialises in tartans for which the demand is growing, achieved very satisfactory results. Country Casuals is establishing its place in the market, and expansion took place during the year on a shop-in-shop basis. More outlets are planned which will naturally incur considerable initial expense. Children's wear is recovering from the very severe conditions encountered in 1975 and the trend shown by the second half's results is encouraging. In knitwear, the companies producing fully fashioned garments which are currently in vogue increased sales by 20% and profits were more than doubled. Cut and sewn knitwear activities were disrupted by a major reorganisation carried out during the year.

HAND KNITTINGS DIVISION

Handknitting profits improved by 20% on a volume increase of 6%, signifying a considerable improvement in margins.

FOREIGN ACTIVITIES

Our foreign trade is still largely conducted by J. & P. Coats, Limited Division. At trading profit level, foreign profits increased by £28,473,000, or 74%, on a volume increase of some 8% in sewing thread, 5% in handcraft threads, 8% in fasteners. Handknitting volume was virtually unchanged.

In Europe, sales volume rose by 14% and profits by 76%, the highlight being the recovery in Italy, with sales volume up by 31% and profits more than doubled from an admittedly poor base. Spain and Portugal recovered very well against uncertain political backgrounds, and Turkey maintained its satisfactory progress and justified our investment plans for expansion. Germany, where the virtually static volume concerns us, managed to improve margins.

In Latin America, Brazil which had capacity problems in 1976, now being taken care of, continued to make excellent progress. It is a country of unlimited potential which is rapidly being developed, and we shall continue to play our part in its expansion. Argentina and Chile increased sales and profitability satisfactorily. Venezuela, hampered by capacity problems, failed to obtain suitable price increases and profits fell substantially.

Conditions in India improved dramatically, as already mentioned. Overall, volume and sales value in the Far East were up 16% and 49% respectively in 1976.

In Australia, recovery from the 1974 crisis continued during 1976 and profits returned to pre-crisis level. Government's future attitude to the textile industry is the key to our prosperity there and a policy report is expected later in the year on the subject of textile imports.

Compared with the poor results of 1975, U.S. profits were virtually trebled on dollar sales up by 10%. Domestic sales in all trades were relatively weak but margins held up. Industrial threads and fasteners improved in volume and margins. Diecasting showed particularly strong growth in sales and profits, although this is still a relatively small part of the total business.

Canada could only maintain 1975 volume in sewings but improved substantially in handcrafts. Handknitting profits were maintained at satisfactory levels and total profits advanced by about a third, which—given an unhealthy economic climate—was a good performance. Third sales in South Africa showed a modest growth in volume and a reasonable increase in profits was achieved. Patons & Baldwins (South Africa) improved only to the extent that the 1975 loss was eliminated.

INFLATION ACCOUNTING

Excluding depreciation, the cost of sales adjustment on the Sandilands formula would reduce trading profits to £53,507,000.

MATTERS OF GENERAL CONCERN

U.K. INDUSTRIAL RELATIONS

The Bullock Report has already served the only useful function available to it. While the proposals it contains are entirely academic in concept and betray complete ignorance of how companies in the private sector function, its publication will lead Boards of Directors everywhere to consider whether

fundamental changes in the relationship of management to staff and workers may be necessary. Indeed, reflection on the United Kingdom's failure, in general, to keep pace with our export competitors should have made the commissioning of the report unnecessary, as poor industrial relations in certain industries have been one of the main factors affecting the country's performance.

Group industrial relations policy was under review well in advance of the Bullock Report and concentrates on employee involvement where it matters—at the place of work—and not at parent board level where, in a multi-national company, there are obvious problems. We are proceeding at a pace appropriate to the state of development existing in each location.

CONTROL OF REMUNERATION AND PRICES

In the U.K., where low basic wages are the norm, where overtime is excessive to compensate for low wages, where over-manning is prevalent, and where investment in new plant is consequently inadequate, wage controls are surely misguided. They are intended to control inflation but have so far shown little evidence of being effective—certainly not in achieving rates of inflation as low as our main competitors. They have reduced differentials to a dangerous degree, as witness the unrest and resentment recently shown by skilled personnel in widely different industries. Since low productivity and, until recently, profligate monetary policies, and not high wages, are the chief cause of our country's severe inflation, surely increases in pay should now be related to a gradual reinstatement of differentials and to real productivity. I am not as apprehensive as many people appear to be that the absence of a Phase 3 would lead to a wages explosion, since I agree with Mr. Clive Jenkins that the majority of firms could not afford to meet demands for unrealistic wage increases without jeopardising their future and that of their employees. As I visit our companies in the U.K. and talk to management, I am conscious that we have many able and energetic people who, thanks to controls and taxation, have made disproportionate sacrifices for the common good. Equally disturbing is the problem we have of transferring people to the U.K. from abroad on promotion which, when accepted, actually reduces their standard of living.

As regards price controls, the textile industry has had a rough ride in the recent past and only from additional profit sensibly taxed can come the funds to modernise, which are essential to compete efficiently here and abroad.

SCOTTISH DEVOLUTION

The debate on Scottish devolution has generated a great deal more heat than light, and it is noteworthy that obsession with the problem is largely confined to politicians and professional commentators. The real danger is that ill-considered change may greatly affect business. Devolution as a principle may be acceptable and may even be desirable in its inapplicable equation with a directly-elected assembly is the reverse. Although the creation of such an assembly for Scotland would have little direct significance to the profitability of the Company, I share the widespread view of business in Scotland that it must be opposed as a public duty in the community interest, and for the reasons which others have already expressed. In addition, one can view with little relish the prospect of another tax-raising bureaucracy being created especially for Scotland. We do not need separation to become the Scottish company which we are already recognised to be throughout the world and which we intend to remain.

PROSPECTS

As regards immediate prospects, world thread sales for the first quarter are 13% up on the same period. Despite this, signs of further recovery in world trade are not yet convincing, and indeed sales in Western Europe are currently below 1976 levels. U.K. thread sales, however, are up both in volume and value. Activity in Yarns and Fabrics Division is currently up on last year but the forward order position is lower than we would like. In Garments Division fully fashioned knitwear is booked out until the end of the year and sales are up to expectation.

In garments, sales are generally above last year's levels, with the exception of children's wear, where production problems exist at the moment. Handknittings are showing a considerable improvement on last year. There is a strong possibility that the negotiations taking place on the Multi-Fibre Arrangement will produce modifications to alleviate some of the damage done to the U.K. textile industry by cheap imports, with a consequent increase in future profits.

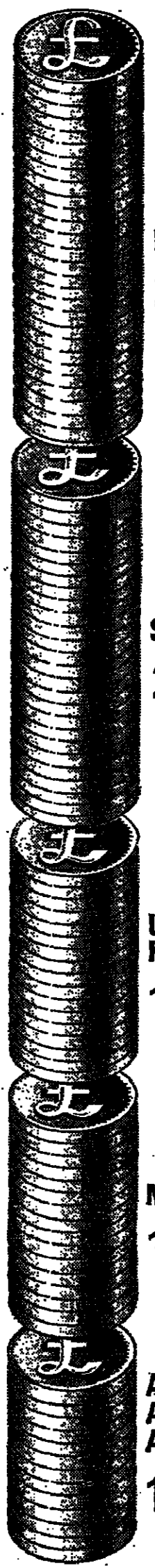
Our latest estimates suggest that the level of profits achieved in the second half of 1976 should be sustained throughout 1977. Looking further ahead, considerable capital expenditure is planned both for expansion of capacity and for increased productivity in the U.K. Potential growth in Jaeger is considerable and certain important overseas markets have not yet been fully penetrated. Some £12,000,000 of capital expenditure will be incurred over a relatively short period to meet estimated future demand. Knitwear Group will receive some £6,000,000 over a period for modernisation and expansion. Considerable sums have been expended on the rationalisation of acrylic industrial yarn production, which is already paying off. Additionally, capital expenditure in Yarns and Fabrics Division will be almost £2,000,000 in 1977 and could remain at a high level for some time to come.

In thread, capital expenditure in 1977 could be £20,000,000, in which figure markets with growth potential like Brazil and Turkey feature largely. J. & P. Coats, Limited Division continues to seek sales growth by, among other avenues, the extension of its range of haberdashery products, and in this connection has taken a minority holding in William Prym-Werke K.G. of Stolberg, West Germany, a leading manufacturer of metal haberdashery.

There are several interesting developments currently under research in our laboratories geared to the production of new, improved synthetic threads, and others aimed at diversification of our interests. We are also investigating the possibility of expanding our worldwide interests as merchants and a new company, West Riding Textile Trading Co., Ltd., was recently formed for the purpose.

In general, therefore, we look forward to the future with increased confidence.

Where the profits came from....



GROUP RESULTS FOR 1976

	1976 £'000	1975 £'000	1974 £'000
Turnover	615,019	487,096	448,210
Assets employed	356,175	302,019	281,240
Profit before tax and loan interest	80,188	41,305	51,456
Profit earned for Ordinary shareholders before extraordinary items	38,567	19,154	24,572
Earnings per share	13.8p	6.9p	8.9p
Ordinary dividend including income tax/credit	4.48p	4.08p	1.34p

Coats Patons are the world's biggest threadmakers and leading producers of synthetic and spun yarns, operating 154 manufacturing units in 30 countries and employing over 70,000 people.

In the U.K. alone we are behind such famous names as Jaeger, Country Casuals, Donbros, Byford, Driver, Dalkeith, Ladybird, Chilprufe and BabyChic. We are in general textiles with West Riding Worsted and Woolen Mills and John Heathcoat. Our other products include diecastings and mouldings.

COMPAGNIE FINANCIERE DE SUEZ

The Annual General Meeting of the Suez Canal Company... The following is a translation of the Chairman's report...

Plans for more capacity at Coats Patons

Plans for expansion of capacity and for increased productivity in the U.K., states Mr. W. R. Henry... He tells members in his annual statement that potential growth in Jaeger is considerable...

BOARD MEETINGS

- Following companies have notified dates for board meetings... American Association June 14, British Steam Specialties June 15...

Best-ever £1m. from EMAP

ALL four divisions at East Midland Allied Press have contributed to a 47 per cent increase in pre-tax profit to £1,074,000...

comment After a year in which its industrial problems hit the headlines, East Midland Allied Press's preliminary figures are probably ahead of most expectations...

Table with financial data for EMAP divisions, including turnover, profit, and dividend information.

J. H. Dennis on target at midway

AFTER a foreign exchange surplus of £2,500, compared with a loss of £100,000 in 1976, J. H. Dennis and Co. has increased its profit to £1,000,000...

London Inter-continental deficit

In the half year to March 31, 1977, London Intercontinental Trust incurred a loss of £282,000... There is no tax last year there was a first half profit of £431,000...

Membership of PPP falls again

The latest report and accounts of Private Patients' Plan, the second largest medical insurance agency in the U.K., show that membership at the end of 1976 had fallen to 205,385...

North British Steel Group

Sales of North British Steel Group (Holdings) were up 54.1% to £4,785m for the 26 weeks to April 9, 1977 and profit was higher at £840m, compared with £610m in the same period of 1976...

Sanderson Kayser

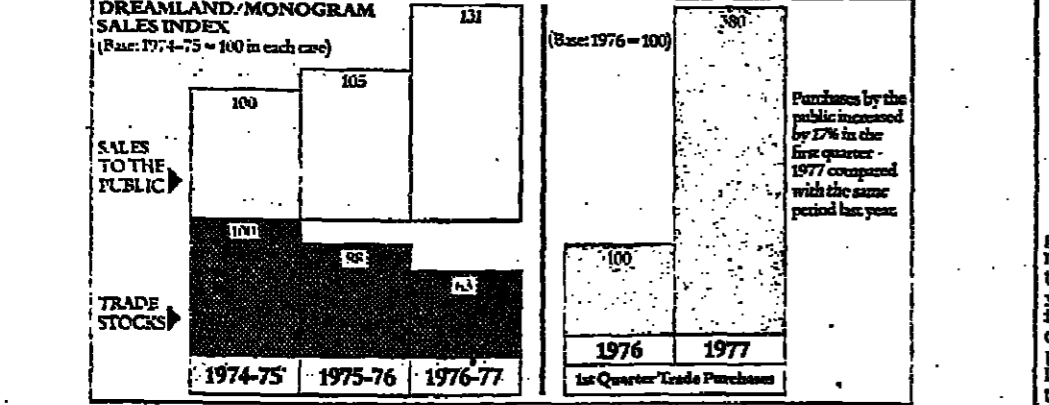
Advertisement for Sanderson Kayser, a Sheffield based special steel manufacturing company, including a list of products and contact information.

Dreamland Group Annual Report 1976

- * A record level of consumer sales but severe de-stocking by trade reduces turnover and short-term profitability. * Reorganisation of export distribution under way. * Prospects good for 1977.

Table showing financial results for Dreamland Group in 1976 and 1975, including turnover, profit, and dividend data.

Home Sales: Adverse economic conditions caused wholesalers to reduce stockholdings but sales in the first quarter of 1977 reached a new high.



Alarmline fire detection systems, a totally new concept in the industrial market have now been fully accepted by the Central Electricity Generating Board...

Dreamland Group

Good start by Brook St. Bureau

AFTER a demanding and exciting year, the early months of 1977 are proving to be a very successful start for Brook Street Bureau of Mayfair...

Turnover and profits are in advance of those for the same period of 1976 and there are elements pointing to a sustained national recovery on which Brook Street's own prospects are particularly bright...

MONEY MARKET Interest rates easier

Bank of England Minimum Lending Rate 8 per cent (since May 13, 1977). Fixed period interest rates were generally easier in the London money market yesterday...

Table showing interest rates for various financial instruments including Sterling Certificates, Treasury Bills, and Local Authority Securities.

European Ferries

Table showing financial results for European Ferries for the year ended 31st March 1977, including operating profit and dividend information.

Points from Chairman's Statement

1976 once again produced an increase in tourist and freight carriages on all routes compared with the previous year. A new ship-building programme is being actively considered...

Harcros Investment Trust Limited

Table showing financial results for Harcros Investment Trust for the year ended 31st March 1977, including gross revenue and net assets.

Lesney aims to beat £10.2m pre-tax this year

THE objective at Lesney Products is to beat 1976's record profit of £10.2m for the current year, Mr. P. M. apscott, chairman, tells shareholders in his annual statement.

This will be difficult because of the increase in the cost of raw materials which should not be included in the conversion of foreign currencies into pounds, he warns.

It is too early to make a precise forecast but there are clear indications that the company's production will be maintained at a level which will give an interest in the various international toy fairs held during the last three months.

He notes that one of the great strengths of Lesney has been its overseas sales, 70 per cent of which have been achieved through own subsidiaries.

As known pre-tax profit rose to £10.2m in 1976, turnover was £110.1m. Turnover was up 10 per cent to £122.1m in 1977, of which £78.1m was contributed by the EC, £19.0m from The Americas and £25.0m elsewhere.

During the year, sales of £22.1m were added to the net operating current assets, increased by slightly more than £1m, and liquidity improved by £1.5m, assisted by the rights issue which raised £1.5m.

The increase due to deliberate policy of funding working capital by bank loans so as to facilitate longer-term corporate plans, says Mr. apscott.

But even allowing for these, at the end of 1977, the company has not been replaced by an overall cash balance of £1.0m, he adds.



Mr. P. M. apscott, chairman of Lesney Products.

Meeting, Tower Hotel, E. June 23, 1977.

Sainsbury may pay more

AS A RESULT of the conditional offer for the takeover of Sainsbury, the directors of J. Sainsbury will recommend a final dividend of 5.5p per share at the annual meeting of the company on July 25, he says.

The balance sheet shows a profit of £20.0m for the year to January 31, 1977, after all charges including tax of £2.0m, and depreciation, which amounted to £9.1m, compared with £14.9m for the year to January 31, 1976, after all charges including tax of £1.9m, and depreciation, which amounted to £7.1m.

There was a surplus arising on disposal of ships of £2.0m against £20.0m.

Turnbull Scott Shipping

PROFIT OF Turnbull Scott Shipping Co. for the year to January 31, 1977, rose from £782,332 to £914,251 after all charges including tax of £264,541, but before depreciation, which amounted to £911,991 compared with £446,852.

The dividend total is maintained at 3.5p per share with a net final of 5.125p.

There was a surplus arising on disposal of ships of £2.0m against £20.0m.

Recovery by J. Bright in second half

YARN AND FABRIC manufacturers, John Bright Group reports, showed a recovery in the second half of 1977.

Full year earnings are shown to be up from 11.05p to 11.29p per 30p share before tax and from 5.25p to 5.50p after tax. The final dividend is 1.47p net for a charge of 2.3p (2.3) total.

Anglo-Swiss sees profit for 1977

While Mr. F. A. E. Frey, the chairman of Anglo-Swiss Holdings, has no doubt that the group will return to prosperity, the difficulty is to forecast the exact timing of events, he tells members of the annual general meeting.

However, he is confident that the group will be operating profitably during 1977 although profits may not have reached material levels by the year-end.

Sentinel bonus increased

The Sentinel Insurance Company has announced an increase in its reversionary bonus rate of 30p per cent to 55p per cent, per annum, on all with-profit contracts.

The effect of this in Sentinel's Variable Investment Plan, for example, is that the policyholder of any age will receive £2,525 at the end of 15 years if he preferred £1,375 after ten years for a gross payment of £10 per month. Maturity bonuses are not included.

REPORTS TO MEETINGS

GRE suffers higher motor claims

WARNING that U.K. motor business was unlikely to produce a profit this year was given yesterday by Mr. J. E. H. Collins, chairman of Greaves Garages Royal Warranted, at the annual general meeting of the company.

He noted that the incidence of motor claims had increased noticeably in the current year. Losses on the incident account were increasing and the results from home operations were not too favourable at present.

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The Ericsson Group - Partners in Telecommunications Progress Worldwide.

Highlights of 1976 operations

- Ericsson Group sales amounted to £1,045,000,000. Markets outside Sweden accounted for 84 per cent of invoicing.
- Profit-before special adjustments and taxes was £58,000,000, equal to 5.6 per cent of sales.
- The Board of Directors proposes a dividend of SKr 5.00 per share on the shares outstanding following the stock dividend and new issue of shares in 1976. The dividend is unchanged from 1976 when, however, a bonus of one krona per share was paid as a bonus on the occasion of the Parent Company's 100th anniversary.
- Order bookings in 1976 totalled £1,024,000,000. The order backlog at year-end amounted to £1,075,000,000.
- Capital expenditures for property, plant and equipment amounted to £84,000,000. Investments in research and development increased 27 per cent, to £84,000,000.

	£ '000* unless otherwise indicated		
	1976	1975	1967
INCOME DATA			
Net sales	1,044,505	1,034,236	327,329
Income before special adjustments and taxes	58,093	104,483	46,555
Per cent of sales	5.6%	10.1%	14.0%
Depreciation	41,374	37,571	11,540
Special adjustments	15,883	44,823	11,150
Swedish and foreign income taxes	20,042	30,781	16,865
Reported net income	20,711	24,258	13,816
Per share	£ 1.02	£ 1.21	£ .79
Adjusted net income per share**	£ 1.49	£ 2.20	£ 1.05
Dividend	15,563	6,591	6,591
Per share	£ .77	£ .79	£ .33
BALANCE SHEET DATA (year-end)			
Net working capital	575,942	624,524	168,643
Ratio of current assets to current liabilities	2.2:1	2.1:1	2.2:1
Net property, plant and equipment	287,780	260,232	83,265
Long-term debt	351,549	392,318	43,172
Minority interest	49,476	58,616	14,607
Stockholders' equity	370,512	303,048	143,656
OTHER DATA (year-end)			
Number of employees	71,100	84,100	46,400
Number of shares outstanding	21,788,498	15,380,117	10,253,412
Backlog of orders	1,074,600	1,308,900	358,400

* Converted from Swedish kronor at the 1976 year-end exchange rate of SKr 7.00 to £ 1.00.
 ** Adjusted net income per share represents net income increased by special adjustments, less amounts equivalent to reduction in income taxes resulting from the adjustments. Per share calculations are based on 20,126,574 shares in 1976.

Want to know more about us? Send for our Annual Report, available in English, French and Swedish, from Telefonaktiebolaget LM Ericsson, Dept D, S-126 25 Stockholm, Sweden, or from Thorn-Ericsson Telecommunications (Sales) Ltd - the UK member of the worldwide Ericsson Group - Viking House, Foundry Lane, Horsham, West Sussex.



TELEFONAKTIEBOLAGET LM ERICSSON

RESULTS AND ACCOUNTS IN BRIEF

ARMCHAIR INVESTMENT TRUST - Results for 1976: Net profit £1.2m (1975 £1.0m). Dividend £1.2m (1975 £1.0m). Total assets £1.2m (1975 £1.0m).

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George Wimpey 1976 Results

	1976	1975
Turnover	£652 million	£542 million
Profit before tax	£44,493,000	£38,995,000
Profit after tax	£20,115,000	£18,744,000
Dividend	£ 1,561,000	£ 1,419,000
Earnings per share	7.6p	7.4p

Highlights from 1976 Annual Report:

- UK building and civil engineering - 18,641 homes built - 9,500 for private purchasers
- Commercial buildings, offices and shops - satisfactory results
- Industrial building - acceptable returns on same volume of work
- Civil engineering - fair share of schemes obtained despite cutbacks
- Open cast coal - high productivity in S Wales, Cumbria and Scotland
- Offshore engineering - Third North Sea oil production platform completed by Highlands Fabricators
- Letter of intent for fourth platform
- New company OMISCO formed with BP to provide maintenance and inspection services
- Wimpey Marine - satisfactory results from servicing North Sea installations
- Asphalt and quarrying - Turnover significantly improved with highly satisfactory results
- Prospects buoyant with expansion abroad
- Laboratories - Active in many countries - new laboratories in Middle East
- Canada - turnover again increased
- France - more land bought for residential development
- Mechanical, electrical and chemical engineering - Increased activity at home and abroad
- Most encouraging prospects
- Property development - Significant increase in activities
- Wingate Investments acquired
- Expansion in Nigeria
- Trinidad - excellent progress on school building
- Canada - turnover again increased
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WIMPEY

Copies of the Report and Accounts are available from: The Secretary's Office, George Wimpey & Co. Limited, 27 Hammond Grove, London, W3 7JN.

Contractors to the world.

Popular Español International N.V.

Guaranteed Floating Rate Notes due 1977

In accordance with the provisions of the above Notes, Bankers Trust Company, as Fiscal Agent therefor, has established the Rate of Interest on such Notes for the semi-annual period ending November 30, 1977 as six and one-eighth percent (6 1/8%) per annum. Interest due on each date will be payable upon surrender of Coupon No. 10.

BANKERS TRUST COMPANY, Fiscal Agents

DATED: June 2, 1977

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MINING NEWS

Mary Kathleen Uranium for further progress given more time

BY KENNETH MARSTON, MINING EDITOR

THE AUSTRALIAN Government and Comrade Ristano of Australia have agreed to extend the present financing arrangements for Mary Kathleen Uranium...

This will allow further time for discussions between the financially hard-pressed mine and its customers on prices and revised delivery schedules...

BETTER TIMES AT STEEP ROCK

CANADA'S Steep Rock Iron Mines is now moving forward after the ore shortages and mechanical breakdowns which hit production last year...

After including an income tax credit of \$2,947,000, Steep Rock carried a net \$370,255 (£116,000) last quarter...

Buffels pays 90c final

THE JUNE dividend season of the South African gold mines was opened last night by the General Mining and Finance Corporation...

Benguet's gold sales

HIGHER EARNINGS are expected this year by Benguet Consolidated, the biggest gold producer in the Philippines...

Bankers' Investment Trust

Gross income of Bankers' Investment Trust rose from \$1,333,333 to \$1,723,333 in the year to April 30, 1977...

Inch Kenneth Kajang higher

The directors of Inch Kenneth Kajang Rubber are recommending payment of a final dividend of 1.625p per 10p share for 1976...

Optimism at Harcross Trust

Mr. G. O. Peake, the chairman of Harcross Investment Trust says in his annual statement that in the current year a further improvement is expected...

S. AFRICAN PAY TALKS AWAITED

Mr. Ken du Preez, chairman of the South African Council of Mining Unions says that the Council is awaiting the appointment of a conciliation board...

Rowntree share scheme through

Employees of Rowntree Mackintosh are to buy shares in the company. A share option scheme for employees of the group...

BSG in good shape for further progress

CONFIRMING THAT 1977 has started on an extremely satisfactory note, with first-quarter profits materially higher than at the same time last year...

In a diversified industrial holding group it is most unusual to have all companies producing peak profits at the same time...

Mr. Cressman says that during the past year the group saved \$469,000 on interest charges...

US\$2m. loan for Trust Union

The directors of Trust Union have arranged a further loan facility with Manufacturers Hanover Trust Company of US\$2m...

J. Halstead confident

In his interim statement, Mr. J. S. Leach, the chairman of James Halstead (Holdings), says that steps have been taken...

BIDS AND DEALS

John Stephen suspended

Shares in John Stephen, menswear retailers, were suspended yesterday at the request of the Stock Exchange...

AUDIOTRONIC PLANS MOVE INTO FRANCE

Audiotronic Holdings, the "Laskys" consumer electronics hi-fi retailing group...

ICFC BACKING FOR TERN-CONSULATE

Industrial and Commercial Finance Corporation is investing \$100,000 in Tern-Consulate...

SHARE DISCLOSURES

Atlanta, Baltimore and Chicago Regional Investment Trust: Willshire County Council's superannuation fund holds 175,000 Ordinary shares (3.8 per cent.)...

ICL managing director given new options

Mr. Geoffrey Cross, group managing director of ICL, has been granted new options on 100,000 shares in ICL by Plessey and NEB...

The new option agreement enables Mr. Cross to acquire from Plessey and NEB, which each hold 24.45 per cent. of ICL...

Working capital increased during the year by £13.3m, against a decrease of £3.8m.

Delta Metal

Delta Metal announces that the offer of new Ordinary shares in exchange for the cancellation of the outstanding 7.5 per cent. convertible unsecured loan stock...

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Useful start by Hewden-Stuart

In his annual statement, Mr. Frank Jamieson, the chairman of Hewden-Stuart Plant, says that 1977 has started like the curates in part, excellent.

Group profits for the first few weeks of trading were usefully ahead and this position has been maintained up to the end of May. The chairman therefore anticipated another satisfactory year...

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ACT is reduced savings will be paid with the next interim dividend.

The directors also propose a scrip issue of two shares for each five held. They are of the opinion that opportunities for expansion will arise and that the policy in past years of maintaining a substantial unissued share capital should be continued...

The Kuwait investment office holds 1,822,000 Ordinary shares.

Meeting, North British, Hotel George Square, Glasgow, on June 30 at noon.

IRI ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE. IRI 5 1/2% US\$ AND DM BONDS OF 1964 DUE 1975-79. NOTICE IS HEREBY GIVEN that the annual redemption instalments due on 30th June, 1977...

Bankers' Investment Trust. Gross income of Bankers' Investment Trust rose from \$1,333,333 to \$1,723,333 in the year to April 30, 1977...

ANDELSBANKEN DANEBANK. ANDELSBANKEN A/S Copenhagen. U.S. \$30,000,000 Floating Rate Capital Notes due 1984.

Table with columns for share names and values. Includes entries like Bishop's Stores, Thomas Sturtwick and Sons, Dunlop Holdings, etc.

NEW ISSUE MAY 1977. DOW BANKING CORPORATION. SFR. 40,000,000. 1 1/2% Bonds of 1977/1987. Union Bank of Switzerland. Credit Suisse. Swiss Bank Corporation. Dow Banking Corporation. Handelsbank N. W.

Vertical text on the right edge of the page, including 'W STI', 'APPOINT', 'Str.', 'Date Name', 'BOO INTERNATIONAL', 'Turnover', 'Profit for the year', 'Share of loss of profit before tax', 'Terms', 'Taxation', 'Profit after tax', 'Expansion in the year', 'Profit of the Group', 'Cost of dividend', 'Tax credit on dividend', 'Earnings per share', 'Highlights for 1977', 'Profits for the year', 'With the exception of the profit on the sale of the subsidiary', 'With the profit on the sale of the subsidiary', 'AGM. Pic 12 noon, 22'.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Dr. Oort to join ABN this year

By Michael van Os AMSTERDAM, June 1. DR. COEN OORT (48), Treasurer-General at the Dutch Finance Ministry, is to join Algemeen Bank Nederland (ABN), Holland's largest commercial banking house, on October 1.

Dr. Oort, who is regarded as an international financial expert of high reputation, is represented in the Dutch Socialist Finance Minister Dr. Willem Duisenberg (inter alia) at the IMF, OECD and the



Dr. Coen Oort.

EEC monetary committee. It is understood to have been eyeing a position in the private banking sector for some time, and there are not thought to be political reasons for his change of job.

It is understood that Minister Duisenberg had asked him not to take up an offer made a year or so ago to become chairman of New Middenstandsbank (NMB), in which the Government has an interest of nearly 30 per cent. Now that the Minister may not return to his current position, after last week's elections, Dr. Oort probably felt that he was no longer bound by the agreement to postpone his entry into the private banking sector, Dutch banking circles said.

Dr. Oort was not available to comment on his new appointment. He is in Guatemala at the Inter-American Development Bank's annual meeting.

AMERICAN NEWS

FTC moves to stop Tenneco bid

BY JAY PALMER

THE U.S. Federal Trade Commission has started a last-ditch legal drive to prevent Tenneco's proposed acquisition of Moore Auto Equipment on the grounds that the merger would inevitably lessen competition in the North American car parts replacement market.

Late last night a spokesman for the Washington Anti-Trust Agency said that an appeal will be filed very shortly in an attempt to persuade the courts to overturn the decision handed down last May by a U.S. District Court Judge in favour of allowing the acquisition.

In Texas a spokesman for Tenneco refused to comment on this latest move by the FTC. However, he did stress that the company still strongly believed that the proposed merger was not anti-competitive and would not result in any lessening of domestic parts competition.

Moore, which is headquartered in Michigan, produces car shock absorbers and is estimated to have about 3 per cent of the replacement market. Tenneco, a much larger and diversified group, owns a unit that makes car exhaust systems and dominates that market here with an estimated 36 per cent of total sales.

AMERICAN EL. Power

AMERICAN ELECTRIC POWER INC. is offering holders of common stock the right to subscribe to 500,000 additional shares for \$22

Fiat-Hesston deal

HESSTON CORPORATION said it is in negotiations with Fiat SpA of Turin for the purchase by Fiat of about \$20m. in newly-issued Hesston Common stock for \$10 a share.

Profits rise 30% at IFI

By Paul Setts ROME, June 1. IFI INTERNATIONAL—the so-called "Agnelli family piggy bank"—has reported an increase of 30 per cent in profits last year compared to the previous year to \$11m.

In an interview in the Italian weekly news magazine, Il Mondo, the general manager of the Fiat family international holding, Gianluigi Gabetti, said that the profits resulted in the major part from the company's financial activities in the United States.

With some 60 per cent of IFI international investments in the U.S., Sig. Gabetti said that the company now had \$50m. in money or near-money assets.

The major shareholders of IFI International are the Agnelli family, Italian financial holding, IFI, with 24.6 per cent, and the Agnelli family itself with a direct interest of 11.5 per cent.

Sig. Gabetti added that the current position of the Italian holding, IFI, was improving following the recent agreement between the American department store chain, Penney, and the Italian group, La Rinascente. IFI has a controlling stake in La Rinascente—one of Italy's largest department store networks.

German stores profit slide

NET PROFIT of Herten AG dropped 37.5 per cent in 1976 to Dm.25m. from Dm.40m., and the supervisory board has decided to recommend a dividend of Dm.5 per share against Dm.7 (in 1975), reports Reuter from Düsseldorf.

Sales at Herten, Germany's fourth largest department store chain, were up only slightly in 1976 to Dm.3,650m. from Dm.3,647m. The company plans to pay out all of net profit in dividends.

Herten is in the process of "modernising its cost structure" particularly through personnel savings.

Another earnings drop by SKF

BY JOHN WALKER

STOCKHOLM, June 1.

THE PRE-TAX profit of the SKF bearings, steel and machine tool group dropped in the first four months of this year by 74 per cent from Kr.19m. to Kr.5m. in the same period in 1976. Mr. Lemnar Johansson, the managing director, said in a special report at the company's annual cycle would improve.

The amount of the profit in 1976 was Kr.116m. compared with Kr.37m. in the preceding 12 months, a drop of 68 per cent. Mr. Johansson also said that bearings, steel and machine tool the profits forecast for the whole group would have to be revised downwards in view of recent developments. The annual cycle would improve.

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Kredietbank post-tax profits rise 25%

By David Buchan

BRUSSELS, June 1.

KREDIETBANK, the flag-carrier of the Flemish business community, has announced a 25 per cent increase in post-tax profits, confirming its reputation of being the fastest growing (albeit the smallest) of the big three Belgian banks. Gross income for the year ending March 31 was 24.7 per cent up at B.Fr.11.8bn. (\$191m.), and post-tax profit net were B.Fr.1.3bn. The dividend has only been raised by slightly less than the Government 3.5 per cent, but the dividend increases for this year to B.Fr.205 (245). But the bank has chosen to reacquire a one-for-ten scrip issue, thus softening the impact of the dividend restraint.

The bank's balance sheet total rose by 85 per cent to B.Fr.238bn., with the increase for the most part in the level of working funds. Sight and time deposits went up by 16 per cent, but the most spectacular success has been in the placement of medium-term five-year bonds of the bank itself which increased by nearly 50 per cent to reach B.Fr.15bn. by the end of the financial year. The bank's funds also benefited by B.Fr.500m. privately placed bond loan this time last year.

Credit to the private sector rose by about 16 per cent in the year, to reach B.Fr.180.8bn. Of this there was a steep increase in that financed by the bank itself, in particular trade bills in portfolio rose by 24 per cent, and loans by the bank itself, which has a very strong position in the relatively booming Flemish area of the country, rose by 21 per cent. Credit to the public sector rose by 10 per cent.

The new Belgian Government which Prime Minister Leo Tindemans is forming this week has announced a strengthening of State control over the banking sector. In particular, in deference to the demands of the Socialist Party, which is in the new coalition, a Government official will be put on the general Board of the biggest four banks, including the Kredietbank. But the Socialist demand that two officials be put on the executive of the banks to supervise the day-to-day control of the banks was rejected by Mr. Tindemans and his Party. In general, the big Belgian banks appear to be breathing a sigh of relief that the concessions to the Socialists in this field have been kept to a minimum.

Kredietbank is a member of the Inter-Alpha group of banks which includes Williams and Glyn's.

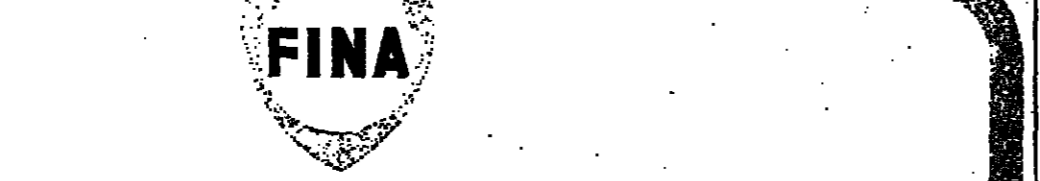
EUROBONDS Primary sector alive again

BY MARY CAMPBELL

EUROBOND trading was quiet again yesterday with the seven year tranche of the EEC issue weakening slightly and the shorter term tranche unchanged. The primary sector however has sprung to life again with two issues being announced. One of them, \$400m. for the European Coal and Steel Community, has surprised the market with an 18 year final maturity. This is not the longest maturity ever seen in this market—the ECSC itself has raised 30-year money in dollar Eurobonds—but it is long by current standards without an optional redemption clause for investors. The average life is considerably shorter, 13 years, due to a Brazilian state-owned Banco Nacional de Desenvolvimento Economico. The issue is the first dollar Eurobond by this country—indeed by any Brazilian borrower other than the state itself—and offers an indicated 9 1/2 per cent for a seven year maturity. Commercial bank is lead manager.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table with columns for bond types (STRAIGHTS, CONVERTIBLES, D-MARK BONDS, FLOATING RATE NOTES) and various bond issues with their respective prices and yields.



PETROFINA Société Anonyme Summary of the 1976 Annual Report. Highlights of the year: Finance (m€) 1976 vs 1975, Operations 1976 vs 1975, Production of crude, Sales of finished products, Sales of natural gas.

Report of the Board of Directors: The past financial year which, due to signs of economic recovery, ended in a conference, ended in uncertainty on both the economy in general and on the energy situation. The investment plan so damaging to the economy, has eased slightly. Extraordinary consolidated profit amounted to 6,028 million Belgian francs (€ 98,200,000) compared with 5,534 million BF in 1975, an increase of 8.7%. Expressed in dollars, the currency in which the major part of our profit is made, it would have increased by 11.7%.

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Vertical text on the right edge of the page, including 'Hut for min' and other fragments.

INTERNATIONAL FINANCIAL AND COMPANY NEWS



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Hutchison goes for HK Dock minority

BY DANIEL NELSON HONG KONG, June 1. HUTCHISON International... which was saved from collapse... Hutchison increased its stake... The two Boards announced... Hutchison increased its stake... Hutchison increased its stake...

Pao unit raising \$HK62m. HONG KONG, June 1. RIGHTS ISSUE to raise HK\$62m... Hutchison's chief executive... Hutchison's chief executive...

JAPANESE TRADING HOUSES Strong recovery all round

BY YOKO SHIBATA IN TOKYO AS ONE might have guessed... gain in revenues for the year... The six traders managed to record a 61.7 per cent increase... The only other trading firm to rival Mitsubishi's tidy improvement was Sumitomo...

...notably Toyo Valves... dragged the net profits down to Y18.5bn... Marubeni, with its results, has wiped out any fears that the currency would suffer greatly from the Lockheed scandal...

Peak profit from Nissan Motor

BY DOUGLAS RAMSEY NISSAN MOTOR CO. closed the reporting season for the Japanese car industry yesterday... NISSAN, like Toyota earlier, reported a record level of sales and profits for the year to March... The company did even better after tax with a 63.4 per cent increase...

TOKYO, June 1. SHIPMENTS of 4.75m tonnes up from 4.41m... Same again at Takeda... Sumitomo may block NRC auction... Kobe Steel expects higher sales... Upturn at Nippon Steel... Steir Bros... Swire pulls in \$HK530m...

AUSTRALIAN COMPANIES CSR held in check by low sugar price

BY JAMES FORTH SYDNEY, June 1. LOWER WORLD sugar prices and industrial troubles at its iron ore investment have meant static profits for CSR... The directors said that the important causes of the interruption to the established trend is significant growth were industrial troubles at the Mount Newman iron ore project in the Pilbarra region of Western Australia...

Bid for Capitol Motors

BY JAMES FORTH SYDNEY, June 1. CAPITOL MOTORS, Australia's bid would be made to remaining largest distributor of Datsun motor vehicles... Capitol Motors holds the Datsun and BMW dealerships for the state of New South Wales... Capitol shares were priced at 50 cents...

H.H. The Ruler of Dubai Shaikh Rashid Bin Said Al Maktoum on his own behalf and on behalf of. The Emirate of Dubai US\$230,000,000 6 Year Floating Rate Loan. Morgan Grenfell & Co. Limited, Wardley Middle East Limited, Citicorp International Group, Lloyds Bank International Limited, The British Bank of the Middle East, The Arab and Morgan Grenfell Finance Company Limited, Banque Arabe et Internationale d'Investissement (B.A.I.), Compagnie Financière de la Deutsche Bank AG, National Westminster Bank Limited, The Toronto-Dominion Bank, etc.

Swire pulls in \$HK530m. Nordiska Investeringssbanken (Nordic Investment Bank) 7 3/4% Notes Due 1984. Credit Suisse White Weld Limited, Banque de Paris et des Pays-Bas, Union Bank of Switzerland (Securities), Den Danske Bank, Kansallis-Osake-Pankki, etc.

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Varley to take industrial strategy to company level

BY KENNETH GOODING, Industrial Correspondent

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DURING THE next few weeks Mr. Eric Varley, the Secretary for Industry, plans to visit between 12 and 15 major manufacturing companies for detailed discussions about each company's performance, prospects, problems and the constraints it feels are imposed by the Government and its agencies. The companies will also tell Mr. Varley how his department and other Government departments can help them achieve their objectives.

All this is part of the latest, highly experimental, stage of the industrial strategy programme. The idea was sparked off by one of the messages in the papers produced during the first stage of the strategy—a process which involved working parties from 30 manufacturing sectors examining their problems and trying to see how they could improve their performance and achieve export-led growth.

Like so much else in the first phase of the strategy, there was nothing particularly new in the message. It was simply that Ministers and the civil servants who advise them should have a better understanding of manufacturing industry and of the kind of environment in which it can function smoothly. The first-stage papers pointed towards the support which seems to exist between industry and the civil service in West Germany and France. They also indicated that there was a need for U.K. government agencies to work more closely together in the support of manufacturers.

The five chosen sectors have been chosen to be the subject of concentrated effort by Mr. Varley and his department. In the words of a paper signed jointly by Mr. Varley and Mr. Denis Healey, Chancellor of the Exchequer, "we wish to see whether there is scope for the Government to act as a catalyst in bringing about, in concert with both sides of the industries concerned, a more rapid improvement in performance along the lines indicated in the relevant sector working party reports."

very little in common except that they are all part of the mechanical and electrical engineering industries whose performance the Government feels is central to the U.K.'s trade prospects. They are industrial (diesel) engines, construction equipment, office machinery, electronic components and domestic electrical appliances. They are all manufacturing sectors with plenty of self-confidence and good products. But it has been stressed that this is not a "pick-the-winners" exercise. Work within the other 34 sector working parties will continue and, if the experiment is a success, it could be broadened to take in other industries.

Another important consideration which influenced the choice of industries is that the Department of Industry is short of staff to take on the heavy extra load this experiment entails. About 50 to 60 companies—mainly the largest ones in each industry—will be visited and the civil servants, not Mr. Varley, will take most of the strain because they will go to all the companies and do all the follow-up work. Therefore the five chosen industries are spread neatly across the four sectors into which the Department of Industry is divided.

Mr. Varley has already sat through two or three-hour sessions with four of the sector working parties involved. Mr. Alan Williams, Minister of State, was at the industrial engines meeting.

The sector working parties in their "progress reports" completed at the end of 1976, and in their current work, have been trying to identify medium- to long-term objectives for their particular industries and the quality of resources, capacity and so on needed to achieve them.

What companies so strongly need before committing themselves to any significant change of direction is some kind of assurance that the Government wants to provide the right kind of environment and backing ground in which they can make plans with some kind of certainty.

And Mr. Varley will in the next few weeks be given more specific information about how the Government departments can help individual companies—the U.K.-owned multi-nationals alike—because that is what the companies have been invited to provide. He has his civil servants going to get a "reach-in" at each company they visit.

Further Government aid will be given through selective financial assistance available under the Industry Act. Mr. Hoover takes over the lead. The project will increase production of washing machines and the obvious conclusion is that the company— which is 60 per cent owned by the American Hoover group—will either fight back and raise U.K. sales lost to Italian exports, or export more than its current 30 per cent of output.

The rather desperate employment prospect in the area seems to have been the main reason, on this occasion, for the Government to put strong pres-

sure on Hoover to go ahead with an expansion project first announced in 1975. There is to be no doubt that without all the Government incentives Hoover would have continued to postpone it.

The way the Hoover project was handled, however, does provide a few clues to the way industrial strategy objectives might be achieved once Mr. Varley has heard for himself the problems confronting individual companies.

The Government has for the past two or three years been much more selective in its financial aid, aiming to back individual companies within specified industries. So far this has mainly been achieved by way of Industry Act Section 8 aid schemes. But the Hoover example shows that it is perfectly possible to use Section 7 of the same Act—which provides for aid on a regional basis, setting up or expanding in so-called "assisted areas"—in the same, specific way.

The hope is that this specific type of assistance to manufacturing guarantees to some extent the continuity of industrialists' craves. Manufacturers constantly complain about the great lurches in Government fiscal policies and stress that they don't really care what kind of tax policies are employed so long as they are not radically altered or reversed every few years.

at a time when other claims on the public purse were having to be cut back. Mr. Varley would certainly claim that recent financial schemes offered to industry have been specially tailored to answer a demand shown up at the sector working parties.

The £100m. selective investment scheme—successor to the accelerated projects scheme—which aims to encourage companies to embark on major capital projects earlier than would have been possible without Government help—is a prime example.

It is noticeable that people at the Department of Industry who used to refer to "the industrial strategy exercise" now talk about "the industrial strategy programme" in a way that suggests they are confident that the programme will have an end as well as a beginning and a middle. The same civil servants point out that Conservative spokesmen's hostility to the strategy appears to have been on the wane over the past nine months, at least in their public utterances.

As for the five sector experiments, so far the common opinion has been that the Government has been mindful of the industrial requirements of the industrial strategy and have set aside any additional resources for it even be expanded to other industries.

Catalyst

So five sectors have been chosen to be the subject of concentrated effort by Mr. Varley and his department. In the words of a paper signed jointly by Mr. Varley and Mr. Denis Healey, Chancellor of the Exchequer, "we wish to see whether there is scope for the Government to act as a catalyst in bringing about, in concert with both sides of the industries concerned, a more rapid improvement in performance along the lines indicated in the relevant sector working party reports."

Merthyr

To take one obvious example of the same Act—which provides for aid on a regional basis, setting up or expanding in so-called "assisted areas"—in the same, specific way.

Support

It seems unlikely that a new Government is going to revoke, for example, the fervent foundry aid scheme which has attracted £50m. of Government support. Nor, one supposes, would it cancel the other aid schemes aimed at industries such as machine tools, textiles, printing machinery, non-ferrous foundries, electronic components and so on.

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BOOKS

Just dandy

C. P. SNOW

Green goes on to argue that this... "The Children of the Sun" is a translation of *Sonnenskinder*, used by a 19th-century Swiss German anthropologist of the name of Bachofen, of whom I confess I had never heard. The fall list is quite a long one — are John Strachey, Evelyn Waugh, Cyril Connolly, various Montagu, Christopher Isherwood, Cecil Beaton, Robert Byron, Henry Green, Tom Driberg, W. H. Auden, John Lehmann, Stephen Spender, Randolph Churchill, Guy Burgess.

Nearly all of these were born in well-connected families. Most had highly developed aesthetic sensibilities. Many didn't want to grow up. Many were homosexual, and there was a pervasive homosexual element in the art and attitudes of the Children of the Sun. In adult responsibilities, especially in political ones, they tended to be unstable.

Green leads into this grouping through two characters who were not so well known, Harold Acton and Brian Howard. Sir Harold Acton, having some of a terms with his temperament, is now a benevolent elder statesman of the arts, and his writings, excellent historical works. Things were different long ago, when he and Howard were at Eton. Howard, who never came to terms with his temperament and killed himself in middle age, seems to have been the prime mover. They had both had a sophisticated, sophisticated, and artistic upbringing, and they brought the modern movement in all the arts to Eton and then to Oxford. Both had natural authority, and the figure of Brian in Waugh's *Brideshead Revisited*, which is said to be drawn from the two of them, Howard was a more attractive home.

We have now heard enough of this style of Oxford in the 1920s. There were of course other slices, including an intellectual one, as we shall soon learn from

Brian Howard—most notorious of the dandies discussed by Martin Green in the book reviewed today.

A. J. Ayer's autobiography. However, the Acton-Howard aesthetic gospel—perhaps more an "art than art"—found an eager audience. This was the Promised Land. One curious feature of the Oxford aesthetes is that few of them seem to have had any hard intellectual curiosity. Except for the inevitable Bowra, they were in the intellectual orbit of any dons. Yet they were within touching distance of a number of the cleverest men in Europe.

The disciples of Acton and Howard went from Oxford to begin writing or reviewing or editing, or administering, some of the period's literature. Acton, who had talent, and Howard, who had none, were soon left behind. The literary world then began writing or reviewing or editing, or administering, some of the period's literature. Acton, who had talent, and Howard, who had none, were soon left behind.

Howard's must have done. There wouldn't have been much more immediate practical advantage gained by belonging to the Children of the Sun. With deliberate intention, though they had some of the instincts and reactions of a group, and affected the literary climate of their time. Green calls them "the dandies."

Green himself came from very different origins, without any of their privileges. For a long time he detested "the dandies" and all they stood for, and most of what they wrote. He still doesn't think much of their creative work. He suggests that Waugh, the most talented, stultified himself by not expanding into international modernism (Green is an interesting and often a deep critic, but this is not his forte). He has international modernism had to its credit for a generation.

So, for years Green, who is English but has a post at an American university, became a follower of those whom he regarded the anti-dandies: Orwell, Leavis, Kingsley Amis. These, he has christened "the decent men." But Green is nothing if not honest. In his last chapter, by far the best in the book, and likely to be missed by those too full of insensate rage to read so far. He tells about his literary self-searching.

The decent men were fine, but their limits were sharp-edged. Anyway, Amis no less was taking on "dandies" postures. Green came to realise that, in unadmitted recesses of his own mind, he had always had a soft spot—though not a high regard—for some of the dandies himself. This meant Waugh above all, but not the dandies' favourite, John Woodhouse.

So where to turn? The dandies weren't good enough. One couldn't build a literature and a civilisation on them. Nor could one—and this was less easy for him to admit—on the decent men. Where to turn? The answer is very strange. It can't be said, even where I don't agree with the line of argument in the rest of Green's book. But the final revelation is like an irresistible twist at the end of a detective story. Green says he has christened "the decent men." But Green is nothing if not honest. In his last chapter, by far the best in the book, and likely to be missed by those too full of insensate rage to read so far. He tells about his literary self-searching.

From the Elysée Palace

BY IAN DAVIDSON

Towards a New Democracy by Valéry Giscard d'Estaing. Collins, £2.95, 180 pages.

President Giscard d'Estaing is in a curious political predicament and he seems to be approaching it in a very curious way. His predicament is that, while he is safe in the Elysée Palace for another four years, he may within nine months lose his centre-right power base in the National Assembly; with the obvious danger of a confrontation between himself and a Marxist and classic *laissez-faire* Socialist-Communist Cabinet. The liberalisation — have proved inadequate if not bankrupt as models for the future; yet his alternative model—a more democratic, more human, more decent, more mixed economy while almost entirely from the party's own resources—has not been able to get him his springboard to political office—no doubt, a sincere belief that the President should be the President of all banality.

When the book first appeared in France it caused quite a stir, but most commentators then often proclaimed the thesis that France was to be governed from the centre, he has done nothing to reverse the growing polarisation between the Common Front on the Left and the Gaullists on the Right. Of course, disdain comes easily to him: he is a supreme example of the super-intelligent French technocrat, and he rose to the Presidency without ever appearing to suffer himself in the crude rough-and-tumble of political life. Yet it is tantalising to observe Giscard being swept towards the rapid without a grimace or a word.

What he has done is to write a book first published in France last year, and now translated into English. To some extent it is an electoral tract, pointing out as it does various innovations and reforms which have been introduced in France since his election in 1974. Yet these are peripheral asides to the main thrust of the work, which is designed to sketch out, as its title indicates, the kind of political and social system he would like France to acquire.

The picture he paints is conventional and a shade camp. He pronounces the unoriginal thesis that both of the mainstream political ideologies—liberalism and classic *laissez-faire* socialism—have proved inadequate if not bankrupt as models for the future; yet his alternative model—a more democratic, more human, more decent, more mixed economy while almost entirely from the party's own resources—has not been able to get him his springboard to political office—no doubt, a sincere belief that the President should be the President of all banality.

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Evil demon stalks abroad

BY MARTIN SEYMOUR-SMITH

Means by Raymond Heppenstall. Allison and Busby, £4.50, 192 pages.

Smart, Confessions by J. B. Bailey. Jonathan Cape, £3.95, 191 pages.

Sweets of Plimiteo by A. N. Wilson. Secker and Warburg, £3.50, 176 pages.

Hearing, Tympanet by Gwyn Carrington. Routledge, £3.50, 158 pages.

Village Cuckoo Match by Ian Parker. Weidenfeld and Nicolson, £3.65, 144 pages.

It will be a literary world and more stupid than

been threatened by ignorance, pastiche and frivolity.

A mere description of the structure of *Two Moons* may mislead many readers. For it consists of two narratives in parallel and one on the right-hand page can be read separately, but the author asks us (with modest irony) to read them "in parallel"—or at least to skim through them in this way when we have read them separately.

This kind of thing has been attempted before in English fiction—almost always without success. But Heppenstall is not a scholar of Raymond Roussel and friend of Michael Butor for nothing; nor has he read the English "realist" novels of the 19th century for nothing. The fact is that *Two Moons*, though rewarding to read, is above all readable. It employs a variety of disconcerting techniques (symbolism, "simultaneously" pioneered by Dos Passos and Döblin, in this case) but it also reads as a two interconnected stories: of a major event in the life of one Harold Aiba and his family, and a series of public atrocities which gain increasing narrative coherence by their bleak horror.

The "symbolic" structure of the novel is astronomical (you can take it "astrologically" and not know one another. I would be delighted to discuss the novel in the light of the elements in the story of Asmodeus, in the Book of Tobit, the evil demon whose business is to plot against the newly-wedded, that they may not know one another. I would be delighted to discuss the novel in the light of the elements in the story of Asmodeus, in the Book of Tobit, the evil demon whose business is to plot against the newly-wedded, that they may not know one another. I would be delighted to discuss the novel in the light of the elements in the story of Asmodeus, in the Book of Tobit, the evil demon whose business is to plot against the newly-wedded, that they may not know one another.

Virginia's journals

BY ANTHONY CURTIS

The Diary of Virginia Woolf: Volume 1 1913-1919, edited by A. O. Bell. The Hogarth Press, £3.50, 358 pages.

Virginia Woolf: The Waves; the two holograph drafts transcribed and edited by J. W. Graham. The Hogarth Press, £2.00, 767 pages.

In 1915 Virginia Woolf began regularly to write a diary. She continued to do so until 1941 and the last entry is four days before her death. The diary is too personal to be published as a whole during the lifetime of the many people referred to in it. I have been carefully through the 26 volumes of diary and have extracted and now publish in this volume practically everything which referred to her own writing. This was Leonard Woolf in his preface to *A Writer's Diary* in 1955.

It is fascinating to compare his slightly apologetic tone in that preface with the supremely confident assertion of his nephew Quentin Bell in his introduction to *The Diary of Virginia Woolf* Volume 1: "In calling it a major work I wish to imply not merely that it is a large work of major historical and biographical importance (which it certainly is) but also that it is considered as a whole, it is a masterpiece." The decision has now been made to publish the diary in full and it is being edited with impeccable care by Anne Olivier Bell (Mrs. Quentin Bell) who provides a running commentary of footnotes elucidating all the people mentioned throughout.

This is necessary because it was these private and personal references that Leonard Woolf made in his own diary, and it is now possible to see from what one now thinks of as a mere sampler. Thus when on August 20, 1919 we read in the 1913 volume: "I intend to spend the evenings of

Diaries reveal a private self that is rarely consistently likeable. Virginia Woolf could be silly, caty, snobbish, elitist, racist even, and a great many more unattractive things, but she remained with a genius, and the complete text of her diaries in this admirable edition which will eventually run to five volumes will be one of the most important and also one of the most readable books of 20th century literature.

One of the things it will reveal will be the complex process of gestation and composition underlying her own novels. Further evidence of this comes in the scholarly edition of the two holograph drafts of *The Waves* prepared by J. W. Graham. Between July 1929 and July 1931 Mrs. Woolf wrote two separate drafts of the book, and typed each draft as she went along. Olivier Bell provides a running commentary of footnotes elucidating all the people mentioned throughout.

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RUTH RENDELL

Vinner of the Crime Writers' Association's Golden Dagger Award for the Best Crime Novel of 1976

DEMON IN MY VIEW

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To me old age is always fifteen years older than I am. A GOOD AGE £3.95

In Short—Jazz and Zulus

Lafayette by Peter Buckman. Hutchinson Press, £3.95, 288 pages.

The Red Soldier: The Zulu War of 1879 by Frank Emery Hodder and Stoughton, £3.25, 288 pages.

The Zulu regiments were the most formidable fighting force to confront the British in their days of imperial expansion. Ruthlessly disciplined, they were deployed by the hero of Shalut, Napoleon Bonaparte of Black Africa, to devastating effect, exterminating a column of 1,000 soldiers at Isandhvana on January 22, 1879. Only at Rorke's Drift, where 117 VC were won in one night of ferocious fighting, did they meet their match. Almost too late, Britain realised the ferocity of its enemy. Some 30,000 British soldiers, more than fought at Waterloo, were thrown into the attack. Then came the Battle of Ulundi, dissonance among the Zulu chiefs, and their eventual subjugation.

The Red Soldier follows, fully for the first time, the Zulu War through the letters of a man writing home.

JOHN DUNSTAN

The World of Big Bands by Arthur Jackson, David and Charles, £4.95, 180 pages.

And the Bands Played On by Sid Colin. Elm Tree Books, £5.50, 136 pages.

There are numerous reasons why big bands have declined numerically since their golden heyday, the 1930s and 40s. Here are two short, superficial but more probing works have appeared previously in which the authors explain why that was a never-to-be-repeated era.

Critic Arthur Jackson's canvas is the larger, taking in Britain, the U.S. and Europe. He packs in a lot of facts and photographs (some too small to be effective) and peppers his text with stark, dogmatic opinions. (For example, "Kenneth Baker, the finest lead trumpeter and soloist in British jazz" and "Anne Shelton, the finest girl singer Britain ever produced," which would be more nicely well served by concise, ever, raw attention to the neglect on records in this country of American-band leader Claude Thornhill and notes the "interesting failures" of another forgotten leader, Boyd Raeburn.

Sid Colin, more renowned latterly as a scriptwriter than formerly as a guitarist with Amorose and Lew Stone, concentrates on British dance bands and singers with all the impenetrable wit of a musician—sarcastic about some of the instrument-holding but rarely playing leaders, contemptuous of the "moving wallpaper" which danced in front of the band.

While he accurately evokes the band-room and bandstand atmosphere he is not so hot on facts: Louis Armstrong did not come to England in 1936, and he certainly did not bring his Hot Five, a pre-1930s outfit which never existed outside the recording studio.

KEVIN HENRIQUES

BOOKS OF THE MONTH

- Announcements below are pre-paid advertisements. If you require entry in the forthcoming page application should be made to the Advertisement Department, Bracken House, 11, Cannon Street, EC4A 3BY. Telephone 01-248 8000. Ext. 7064.
- Owen's Commerce and Travel 1977 (24th edition) with generous reference to and use of Commonwealth and American materials. Butterworths 0406 64276 3. Casebound £45.00 net
- Telling: Planning Law and Procedure Fifth Edition, 1977 By A. E. Telling, M.A., of the Inner Temple and the Midland Circuit, Barrister, Principal Lecturer in Law, Trent Polytechnic. This new edition contains four new chapters which cover the Community Land Act 1975 and the changes in this field. Butterworths 0406 64507 9. Casebound £9.20 net £46.6508 7. Limp £2.20 net
- Picarda: The Law and Practice Relating to Charities 1977 By Hubert Picarda, B.C.L., M.A. (Oxon), of the Inner Temple and Lincoln's Inn, Barrister, Profumo Scholar. This is the first new book on charities to appear for many years. Dealing the law and practice in England and Wales
- Tolley's Tax Tables 1977-78 16 pages of the latest details of all rates of income tax, corporation tax, capital transfer tax and VAT applicable from 6 April 1977. Also contains a summary of the Chancellor's speech, and new rates of tax allowances and reliefs. Tolley 0510 48351-3 £1.00
1. AFRICA GUIDE 1976-77, U.K. & Europe, £1.95, 112 pp.
2. BRAZIL: TODAY'S BUSINESS OPPORTUNITIES, £3.50, 112 pp.
3. CHINA: BUSINESS OPPORTUNITIES, £3.50, 112 pp.
4. CZECHOSLOVAKIA: TRADE OPPORTUNITIES, £3.50, 112 pp.
5. COMECON TO 1990, £2.50, 112 pp.
6. EUROGUIDE, 3 vols, in 4 languages: English, French, German & Italian, £1.95, 112 pp.
7. GUIDES TO TRADE AND INVESTMENT OPPORTUNITIES IN FRANCE AND OVERSEAS, £3.50, 112 pp.
8. FRANCE: DIRECTIONAL, £1.95, 112 pp.
9. "BDI GERMANY SUPPLIES", 1977, DM12, plus post DM12.
10. LETTERS FROM BERLIN, WIRTSCHAFT, DM12, plus post DM12.
11. GERMANY: HANDBOOK OF TRADE OPPORTUNITIES, 1977, DM20, plus post DM20.
12. WALTER SKINNER'S MINING INTERNATIONAL YEAR BOOK, 1977, £1.00.
13. BRITISH PETROLEUM SUBSIDIES, AMVALS AND REFERENCE BOOKS, 18th edition: 200 pages £2.50, 815 pp. mail, Directors only, £10.00, 815 pp. mail.
14. WHO'S WHO IN TRANSLATING, £1.00.
15. HONGKONG Asia 1977, £6.50.
16. India Asia-Africa Directory (TRADO), 1977, £18.00.
17. Times of India 1977, £5.30.
18. IRAN: A BUSINESS OPPORTUNITY, £10.45.
19. ITALY Yearbook of the Italian Rubber Industry, 1977, £15,000.
20. JAPAN Japan Company Handbook 2 vols 1977, £23.00.
21. Japan Directory 1977, £5.00.
22. KUWAIT AND THE GULF STATES AND SULTANATE OF OMAN COMMERCIAL DIRECTORY, 1976, 546, plus air post £36.
23. LEBANON Who's Who in Lebanon, 1977, £48.00.
24. MALAYSIA Who's Who in Malaysia & Singapore, 1977, £23.00.
25. NIGERIA—Report on Markets in Nigeria 1976, £12.00, plus £2 Airmail post.
26. YEAR BOOK OF EUROPEAN RIG AND SUPPLYSHIP OWNERS, 1977, £10.00.
27. THE BUSINESSMAN'S GUIDE TO SAUDI ARABIA, £7.75.
28. SAUDI ARABIA: BUSINESS OPPORTUNITIES, £9.34.
29. SAUDI ARABIA: BUSINESS DIRECTORY, 1974-75, £45, £12.50, plus post £10.
30. SPAIN Spanish Financial Institutions Directory, 1977, £58.00.
31. SWITZERLAND International Rubber Directory, 1977, £75.00.
32. UNITED STATES OF AMERICA American Business Directory, 1977, £49.00.
33. AVER Directory of Publications 1976 Edition, 1977, £4.00.
34. Latin American Directory, 1977, £55.00.
35. Media Guide International, 1977, £218.00.
36. Worldwide Petro-Chemical Directory, 1977, £10.00.
37. VENEZUELA: BUSINESS OPPORTUNITIES, £9.00.
38. THE WEST INDIES AND CARIBBEAN YEAR BOOK, 1976, £10.00.
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Michael Blanden looks at the latest economic forecasts of the National Institute

Slow rate of growth and continued rise in unemployment expected

THE MAIN uncertainty affecting the latest forecasts produced by the National Institute of Economic and Social Research concerns the prospects for the incomes policy in Stage Three.

Background

The main changes since the institute last made its forecasts in February have been the deterioration of the outlook for earnings and the Budget.

Underlying

With a 15 per cent. growth in earnings, inflation would still be running at over 10 per cent. a year throughout the forecast period.

Contrast

In general, the institute's forecast for consumer spending—and for output—is more buoyant than the Treasury's.

U.K. ECONOMIC INDICATORS

Table with columns for 1977 and 1976, and rows for various economic indicators like Unemployment, Inflation, GDP, etc.

On these assumptions—and given the balance of payments projections—domestic credit expansion should be about £7bn. in 1977-78 and about £5bn. in 1978-79.

Vulnerable

For other private industry, excluding North Sea oil, the forecast rises are 11 per cent. and 13 per cent.

Implications

Assuming that the exchange rate will be maintained at its present level, the institute forecasts that the visible trade deficit, which was £3.6bn. in 1976, should fall to £2.6bn. in 1977 and £2.2bn. in 1978.

SUMMARY OF THE CENTRAL FORECAST

Table with columns for Real GDP, Real personal disposable income, Unemployment, Money supply, Consumer prices, Current account balance, and Public sector borrowing.

* GB, seasonally adjusted, wholly unemployed, including school leavers and adult students.

ESTIMATES AND FORECASTS OF THE GROSS DOMESTIC PRODUCT: SUMMARY

Table with columns for GDP, Public authorities, Gross fixed investment, Exports, Imports, Total final demand, and Adjustments.

Problems of unreformed wage bargaining system

BRITAIN had not solved the problem of devising policies, period. This was the tendency of the particular form of free collective bargaining in Britain.

Expansion of world economy, but little effect on jobless

THE VIEW of the prospects for the world economy has changed relatively little from the optimistic outlook in the last Review in February.

The institute forecasts an increase this year in the volume of output in OECD countries of 4 1/2 per cent.

On one hand, "industry in Italy has continued to display a remarkable ability to shrug off the political problems with which the country has been beset."

Warning over danger of pay explosion

balance of payments current account as a whole from now on.

The institute adds: "It is perhaps worth pointing out, nonetheless, that the current account excluding the net direct effect of North Sea oil would be in £1.5bn. in deficit in 1977 and £2.3bn. in deficit in 1978."

THE NATIONAL INSTITUTE gives

cent. a year by the spring 1978.

Compared with the low earnings case, the high level of increases in earnings, the institute concludes, "leads to the medium-term to sharply accelerating price inflation and a falling exchange rate, to declining economic growth and to personal consumption, to rapidly rising unemployment, and to falling investment."

Because of the lags in the system, in the short term, the earnings increase ahead of prices, leading to higher consumer spending and, for a while, lower unemployment.

"These benefits are, however, short-lived: the longer-term price of gaining them is in terms of inflation, jobs and living standards, very high indeed."

The general picture emerges fairly clearly, the institute says, though the details are quite complex. The most obvious difference between the two cases lies in the rate of inflation.

In the low case, with earnings rising by only 10 per cent. a year, the annual rate of increase in the consumer price index in 1977-78 and by about 12 per cent. in 1978-79.

'LOW' AND 'HIGH' EARNINGS CASES: EFFECTS IN THE FIRST HALF OF 1977

Percentage change in volume on year earlier, unless otherwise stated

Table with columns for GDP, Consumer expenditure, Public authorities, Exports, Imports, Public investment, Private investment, and Consumer price index.

Table with columns for Unemployment, Current balance, Exchange rate, PSBR, and Gross trading profits of companies.

The table illustrates the effects of two extreme alternatives. These are a "low" policy, which delivers an annual rate of increase in average earnings of 10 per cent. and a "high" policy, under which an agreement is reached by July, but one which progressively breaks down later.

Norwest Holst Results 1976/77

Table with columns for Turnover, Group Profit before Interest, Taxation and Extraordinary items, Interest Payable (net), GROUP PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS, Extraordinary Charges (1976 Profits) including writing-off of Goodwill on the acquisition of Subsidiary Companies of £577,000 (1976 - £13,000), Profit attributable to Ordinary Shareholders, EARNINGS PER SHARE - Basic, Fully Diluted, and A final Ordinary Dividend of 2.7625p per Share (1976 - 2.5285p) is recommended.

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Doctors urge tougher action to reduce cigarette sales

scientific evidence for smoking as a cause of extensive illness in Britain has been brought up-to-date in a third report from the Royal College of Physicians, published yesterday which makes strong recommendations for Government action to reduce the number of cigarettes smoked. A summary of the evidence and recommendations follows.

Cigarette smoking is still a major cause of death and the great epidemic disease of the past. The evidence of its harm is becoming increasingly clear. But, although the dangers are more widely recognised, action to combat them remains inadequate.

Recommendations:

- 1—That smoking by doctors and other health workers in public places, particularly in hospitals and clinics.
- 2—Use every opportunity for encouraging patients not to smoke.
- 3—More teaching of medical and nursing students about the effect of smoking, and on their personal responsibilities in relation to smoking.
- 4—Ban smoking at meetings of committees concerned with the National Health Service.
- 5—A joint effort by the Department of Health and the Medical Research Council to develop and test more effective techniques of helping unwilling smokers to stop smoking.
- 6—Smoking in general hospital wards to be permitted only in special day rooms, side-wards, or sections of wards reserved for smokers. Tobacco not to be sold in hospitals or other health care premises.

TOBACCO SALES PROMOTION—Expenditure on sales promotion has remained high with large outlays on gift coupons and on sponsorship of sports and the arts. In 1976, total expenditure approached £80m. Increasing breaches of the manufacturers' own cigarette advertising code led to the imposition of a stricter code by the Advertising Standards Authority in 1976, but no legislative ban or limitation of advertising has yet been accepted.

Recommendation: All tobacco sales promotion—including advertising, coupons and sponsorship—to be phased out over a period of a few years, starting with higher tar brands.

RESEARCH—British tobacco manufacturers have continued to support research in many fields related to smoking. There is no co-ordination or direction of research into smoking and health by Government research councils or universities, and little research has been done into ways of preventing smoking or reducing its harmful effects on health.

Recommendation: An important requirement if tobacco-related diseases are to be brought under control, is a large increase of research into ways of encouraging people not to smoke, the pharmacology and psychology of dependence, less harmful forms of smoking, and the detection of people who are especially liable to be harmed by the habit. A special smoking research unit would greatly facilitate such research.

PUBLIC EDUCATION—This has been furthered with posters, advertising campaigns, and television commercials, with the help of the mass media. Warnings on cigarette packs and advertisements have been weak and ineffective. Total expenditure by the Government on anti-smoking activities in 1975-76 was £1m, compared with the £80m spent on promoting tobacco sales.

Warnings

Despite emphasis on its importance there has been no co-ordinated attempt to disabuse children from starting to smoke, nor to develop new methods for doing this. Little has been done to further the setting-up of smoking-withdrawal clinics.

Recommendations:

- 1—Vigorous joint effort by the health and education authorities, nationally and locally, to disseminate the best methods of encouraging children and young people not to smoke. In view of the effects on school children, we urge that more attention should be given to the smoking problem in teachers' training, and that teachers will not smoke on school premises.
- 2—Display of notices by tobacco retailers clearly stating that selling cigarettes to people under the age of 16 is illegal.
- 3—Cigarette vending machines to be banned in places to which children have access.
- 4—Regular surveys of public attitudes to smoking and health as a basis for more effective information and action.
- 5—Explicit health warnings on cigarette packs.

OTHER ACTIVITIES

There has been a welcome increase in the provision of non-smoking areas in public transport and places of entertainment. Recent small increases in tobacco taxation have been followed by some falls in cigarette smoking. Tables of tar and nicotine delivery of all cigarettes are now published.

ASH, an organisation set up by the Royal College of Physicians in 1971 to coordinate voluntary activity in this field, and supported by the Department of Health, has acted as a pressure group and as a source of information for the media. Also, and many others, on matters relating to smoking.

Recommendations

- 1—Greater restrictions on smoking, especially in enclosed places such as shops, theatres, restaurants and public transport.
- 2—Price rises of cigarettes (in real terms) to be heavily concentrated on high-nicotine cigarettes, resulting in a different tax in comparison with low tar/nicotine brands, pipe tobacco and cigars.
- 3—Cigarettes with more than 15 mg. of tar, or 1 mg. nicotine, to be withdrawn from sale as soon as possible.

Published by Pitman Medical Publishing Company, Ltd., 42 Camden Road, Tisbury Wells, Kent, E3.

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Sundry Credits	66,380
Unamortized Bond Discount	147,879
Other Assets	11,095
Total	4,297,916
Capital	21,000
Reserve Funds	16,547
Special Contingency Fund	97,716
Bonds	3,313,408
Loans	383,269
Advances Received	75,942
Loans in course of Disbursement	226,756
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Donner shrugs off Asarco rice cut
John Edwards, Commodities Editor. PER PRICES moved higher in London Metal Exchange...

Brussels defers talks on aid for pigmeat

NO DECISION ON THE U.K. request for special measures to alleviate the economic difficulties of the pig industry...

Good start for new potato crop

FIRST FRUITS of the home-grown early potato crop have started coming in this week from Cornwall and Devon...

U.S. coffee closure rumour

RUMOURS THAT General Foods planned to close some of its U.S. coffee processing plants for an extended period...

Australian wool sales firmer

ALL TYPES OF wool were firmer at yesterday's Brisbane auction. But at Melbourne only poorer quality types were better...

Irish threat to meat subsidies

THE GOVERNMENT'S efforts to save jobs in the Northern Ireland meat and livestock industry appear to have back-fired...

Bad winter hits Asian grain

BAD WEATHER has cast the first shadows over the bright food picture Asia has enjoyed for the past two years...

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COCOA - Steady in line with other raw materials

WOOL FUTURES - LONDON - Spot slightly better, but rest of market unchanged

RUBBER - UNCHANGED opening on London physical market

SOYABEAN MEAL - Steady in line with other raw materials

WOOL FUTURES - AUSTRALIAN (Per ton net)

PALM OIL - LONDON PALM OIL - No trades in dull day

MEAT/VEGETABLES - SMITHFIELD (Pence per lb)

FINANCIAL TIMES - WASHINGTON, June 1. THE U.S. Agriculture Department's Commodity Credit Corporation will immediately begin using peanut (groundnut) oil instead of other vegetable oils...

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Main table listing various unit trusts and offshore funds with columns for name, manager, and performance data.

LEADERS AND LAGGARDS

Table showing performance of various unit trusts, categorized into leaders and laggards.

BASE LENDING RATES

Table listing base lending rates for various banks and financial institutions.

INSURANCE, PROPERTY, BONDS

Large table listing insurance, property, and bond products from various companies.

Table listing various financial services, banks, and related products.

NOTES

Notes section providing additional information and disclaimers regarding the fund data.

CLIVE INVESTMENTS LIMITED advertisement with contact details and investment options.

INSURANCE BASE RATES advertisement listing various insurance products and rates.

FT SHARE INFORMATION SERVICE

WADKIN MACHINE TOOLS THE NC SPECIALISTS

BRITISH FUNDS table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table with columns for Stock, Price, and Yield.

INTERNATIONAL BANK table with columns for Stock, Price, and Yield.

CORPORATION LOANS table with columns for Stock, Price, and Yield.

COMMONWEALTH & AFRICAN LOANS table with columns for Stock, Price, and Yield.

BEERS, WINES AND SPIRITS table with columns for Stock, Price, and Yield.

LOANS (Miscellaneous) table with columns for Stock, Price, and Yield.

FOREIGN BONDS & RAILS table with columns for Stock, Price, and Yield.

CANADIANS table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

BUILDING INDUSTRY - Continued table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

DRAPERY AND STORES - Continued table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

ENGINEERING - Continued table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

ELECTRICAL AND RADIO table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

ENGINEERING, MACHINE TOOLS table with columns for Stock, Price, and Yield.

BANKS AND MIRE PURCHASE table (continued).

INTERNATIONAL BANK table (continued).

CORPORATION LOANS table (continued).

COMMONWEALTH & AFRICAN LOANS table (continued).

BEERS, WINES AND SPIRITS table (continued).

LOANS (Miscellaneous) table (continued).

FOREIGN BONDS & RAILS table (continued).

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INDUSTRIALS - Continued. Table listing various industrial stocks with columns for Stock, Price, and % Change.

MOTORS, AIRCRAFT TRADES. Table listing motor and aircraft related stocks with columns for Stock, Price, and % Change.

PROPERTY - Continued. Table listing property-related stocks with columns for Stock, Price, and % Change.

TRUSTS - Continued. Table listing trust-related stocks with columns for Stock, Price, and % Change.

MINES - Continued. Table listing mine-related stocks with columns for Stock, Price, and % Change.

OVERSEAS TRADERS. Table listing overseas trading companies with columns for Stock, Price, and % Change.

INSURANCE. Table listing insurance-related stocks with columns for Stock, Price, and % Change.

PROPERTY. Table listing property-related stocks with columns for Stock, Price, and % Change.

TRUSTS, FINANCE, LAND. Table listing trusts, finance, and land-related stocks with columns for Stock, Price, and % Change.

TRUSTS, FINANCE, LAND. Table listing trusts, finance, and land-related stocks with columns for Stock, Price, and % Change.

TRUSTS, FINANCE, LAND. Table listing trusts, finance, and land-related stocks with columns for Stock, Price, and % Change.

TRUSTS, FINANCE, LAND. Table listing trusts, finance, and land-related stocks with columns for Stock, Price, and % Change.

NEW JAPAN SECURITIES. Logo and contact information for Tokyo, Japan, London Branch, and Frankfurt Office.

CENTRAL AFRICAN. Table listing Central African stocks with columns for Stock, Price, and % Change.

AUSTRALIAN. Table listing Australian stocks with columns for Stock, Price, and % Change.

COPPER. Table listing copper-related stocks with columns for Stock, Price, and % Change.

MISCELLANEOUS. Table listing miscellaneous stocks with columns for Stock, Price, and % Change.

RUBBERS AND SISALS. Table listing rubber and sisal stocks with columns for Stock, Price, and % Change.

TEAS. Table listing tea-related stocks with columns for Stock, Price, and % Change.

SRI LANKA. Table listing Sri Lanka stocks with columns for Stock, Price, and % Change.

Africa. Table listing African stocks with columns for Stock, Price, and % Change.

MINES. Table listing mine-related stocks with columns for Stock, Price, and % Change.

NOTES

Under the provisions of the Companies Act 1967, the following companies have been registered as public companies...

RECENT ISSUES

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £400 per annum for each security.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets.

OPTIONS

3-month Call rates. Table listing options and call rates with columns for Stock, Price, and % Change.

DIAMOND AND PLATINUM

Table listing diamond and platinum related stocks with columns for Stock, Price, and % Change.

Relative Strength

Relative strength is the difference between a good and a bad investment. We supply relative strength charts for Britain's leading companies, plus all the other price information necessary for successful investment.

FINANCIAL TIMES

Thursday June 2 1977

LIFTRUCS LIMITED Gelderd Road, Gildersome, Morley, Leeds, LS27 7JX. Tel: (0532) 537735



LESTER PIGGOTT WINS DERBY FOR EIGHTH TIME



Even Lester Piggott had to smile at Epsom yesterday. The jockey, who is normally so serious, beams after winning the Derby for the eighth time. Piggott, seen in the centre

passing the winning post on The Minstrel, said afterwards to trainer Vincent O'Brien: "Go on, admit it, you wouldn't have run him if I hadn't told you to."

Before the race the Queen and Duke of Edinburgh were studying form. Dominic Wigan's report. Page 2.

Need for pay curbs stressed

BY MICHAEL BLANDEN

THE GOVERNMENT should be ready to pump more money into the economy to reduce unemployment if the growth of wages is held down firmly in the next stage of the incomes policy, according to the influential National Institute of Economic and Social Research in its quarterly Review issued today.

The Institute lays heavy stress on the importance of maintaining a restrictive pay policy. It says it is "imperative" that the Phase Three agreement should provide an assurance that average earnings growth will be contained below a ceiling of 10 per cent.

The main forecasts on this book present a fairly bleak outlook for the economy in the next two years, though with some brighter spots. Economic growth is expected to remain quite low, with gross domestic product rising at an underlying rate of about 2 per cent.

Owen asks S. Africa to act on Rhodesian raid

DR. DAVID OWEN, the Foreign Secretary, yesterday sent a message to the South African Government asking it to use its good offices to urge Rhodesia to call off its four-day-old hot-pursuit raid into Mozambique immediately.

Dr. Owen, who is in Paris for the North-South dialogue conference, held a second round of talks on Rhodesia yesterday with Mr. Cyrus Fance, the U.S. Secretary of State.

With nationalist guerrillas about 12 miles north of the Mozambique town of Mapai, which the Rhodesians have occupied, Mr. Pieter Van Der Byl, the Rhodesian Foreign Minister, attacked Britain for its condemnation of the raid, which he said had been "a defensive action" and would not have taken place if Mozambique had not given full support to the Rhodesian guerrillas.

Kaunda doubts on West action

BY MICHAEL HOLMAN

DR. KENNETH KAUNDA, the Zambian President, has expressed disillusionment with the handling of the Rhodesian settlement issue by Dr. David Owen, the Foreign Secretary, declaring that the "profound impression" made on him by Dr. Owen is "disappearing very quickly."

Dr. Kaunda left the impression that he had a reluctant but growing distrust of Western intentions. "The only thing they fear is an armed struggle, not so much because there will be bloodshed as—and I'm sorry to have to say this—as the fear that the Communists will have a better situation."

Backing up his doubts, Dr. Kaunda said he had heard nothing further about the British inquiry into the ways oil has been reaching Rhodesia, which was announced shortly before Dr. Owen left on his Southern African tour in April.

IMF optimism about U.K. growth

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE CHANCELLOR of the Exchequer has been told by the International Monetary Fund that it is optimistic about prospects for Britain's economic growth rate provided the level of inflation is brought under control.

Mr. Hesley announced this during the monthly meeting of the National Economic Development Council yesterday, which heard depressing news from Mr. Eric Varley, Industry Secretary, on the prospects for investment in manufacturing industry during the rest of this year.

Varley meets turbine generator unions to-day over merger

BY MAX WILKINSON

MR. ERIC VARLEY, the Industry Secretary, is to speak to representatives of all the unions in the turbine generator industry today in an effort to break the deadlock on merger talks.

The merger is deadlocked because GEC insists that it should have management control of a merged industry, while C. A. Parsons refuses to agree to a merger on this condition.

Some of the management of Reyrolle-Parsons, C. A. Parsons' parent company, would like to do a deal with GEC if the unions would agree, but so far, the Parsons unions have adamantly rejected the terms offered by GEC.

Continued from Page 1

GMWU idea that a return to free collective bargaining on August 1 would mean a free-for-all. Others said that the only way the Labour Government would survive the next General Election was by a complete change of economic policy.

Weather

U.K. TO-DAY Dry and sunny. Some cloud on coast. London area, S.E. S.W. England, E. Anglia, Channel Islands. Dry, sunny. Wind N.E. light. Temps. near normal. Max. 19C (66F).

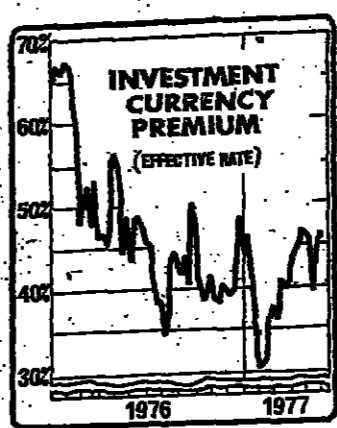
Table with columns for location, day, and temperature. Includes sections for U.K. TO-DAY, BUSINESS CENTRES, HOLIDAY RESORTS, and HOLIDAY RESORTS.

THE LEX COLUMN

National Institute blown off course

On the face of it the latest National Institute projections have thoroughly unpleasant implications for the capital markets. Apart from the more pessimistic assumptions, compared with last February, on wage rates and inflation, which on the central forecast will stay in double percentage figures through 1978—the Institute now suggests the Government could have difficulty in meeting the IMF's money supply and domestic credit expansion targets.

Index rose 0.1 to 448.6



capitalised at around \$870m more important, the planned merger marks an important milestone in Hutchison's recovery from the brink of financial collapse in 1975, when it had to be bailed out by Hong Kong and Shanghai Banking Corporation.

Yet the Institute's monetary projections are puzzling, to say the least. It reckons that U.K. non-bank investors, after buying \$3.2bn. of public sector sterling debt in 1976-77, will actually be net sellers to the tune of almost \$1bn. this financial year.

appeared relatively attractive to some funds compared with London and its rising share prices.

The imponderable hangs over Hutchison is the future of the Hong Kong and Shanghai Bank's stake of around a third. The bank purchased its shares for \$HK150m. and they are currently worth over \$HK500m.

Currency premium

The investment guncurrency premium obstinately refuses to go down and stay there. At the end of January the effective rate dropped to about 30 per cent, but then recovered to some 45 per cent, a level which it has been fluctuating around for the past year or so.

The downside political risk in the premium, after all, is that one morning investors could wake up to find it gone. Or at least, they could find the investment currency pool split into two, for EEC and non-EEC securities, which could involve unpredictable losses for investors caught in the wrong place.

National debt

The Commission's for the Reduction of the National Debt are having their work done in them by inflation. Latest statistics show that although the nominal value of the National Debt rose by an eighth, \$63.3bn. in the year to March, the figure fell as a proportion of gross national product to its lowest level since since the war.

Hutchison Int.

Hutchison International's decision to merge with its major subsidiary, Hong Kong and Shanghai Banking Corporation, is essentially a tidying up operation as it already owns 50.1 per cent of the company.

What is equally striking, however, is the way that short-term gilts and Treasury bills are rising as a proportion of the National Debt: up to over a fifth of the latest figures.

Advertisement for Queenhithe Upper Thames Street, London EC4. Features a large photograph of the building and text describing the development, including 75,000 sq. ft. and contact information for Sinclair Goldsmith and Richard Saunders & Partners.

Handwritten signature or stamp at the bottom of the page.